THE CHINA WEEKLY REVIEW

密勒氏評論報

A Weekly Newspaper Established In 1917

December 14, 1946

LET'S RETIRE MACARTHUR

AN EDITORIAL

Minor Role Ahead For China

A McGraw-Hill Survey

New Year Crisis Ahead?

By Ben Y. Lee

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AN EDITORIAL

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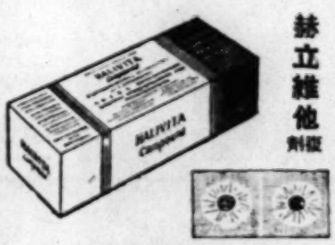

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LETTERS From The People

Comments from readers on current topics are cordially invited: their opinions, however, do not necessarily represent the views of The China Weekly Review.

Swastika-Emperor?

To The Editor:

Generalissimo Chiang Kai-shek is now 60. In October, under the gloomy clouds of civil war, there was a nationwide celebration of his birthday. Chengtu, being the provincial capital, was no exception.

On that memorable day a few hundred government representatives assembled in the Kuomintang Szechuen Provincial Headquarters and toasted the health of Tsung Tsai. A Chung Cheng liberary was set up in Shao Cheng Park, off the original Municipal Library. Millions of dollars were spent on the occasion. Among the decorations one thing attracted attention. Six big swastikas made of flowers stood glaringly over the entrance. Puzzled newspapermen and students asked the authorities for what they stood. The answer was that the sign meant "wan," or 10,000, in Chinese. It was equivalent to "Long live the President."

This was a clever explanation, but is not the swastika the national insignia of the Nazis, dear readers? We wonder if our people really fare much better than the Germans did under the Nazi yoke. Although Hitler is gone, here in China he has many kindred spirits who observe his doctrines faithfully. Do these people plan for our ruler to be a dictator?

Here is another interesting instance. A government paper here ran an editorial a few days ago entitled "God-Sent Emperor (君命天子) and Democracy." The writer led us to believe that those two things are inter-related. A God-sent emperor works for the benefit of the people and is, therefore, contributing to democracy. Our present ruler is the man qualified in every aspect for the name of the traditional God-sent emperor. Whatever its meaning, it sounded to our ears like the pro-Yuan Shih-kai papers before that man ascended the throne. Is it possible that China will have another imperial government? Only time will tell.

Now, a National Assembly has been going on in Nanking. We don't care whether these delegates were appointed or elected. Our government is supposed to return its power to the governed and to practice democracy. But right before the opening of the meeting a commercial treaty was signed with our American "ally." It affects the whole nation greatly but its discussion was kept behind the screen for almost one year without the participation of one single represenative of the people. Then it was suddenly signed. God knows if this is the way a democratic country works.

We want democracy *de facto* and not democracy on paper. If our government means to be honest, the following must be put into effect: the civil war must be stopped; foreign troops must be sent away; the so-called National Assembly must adjourn until other major parties participate; PCC decisions must be put into effect; taxes-in-kind and conscription must be abolished. As to the last item, Szechuen is the greatest sufferer. During eight years of war this province shouldered by far the largest part of the burden, sending 5,000,000 men to the army and turning in almost 100,000,000 tans of rice. We have really been bled white by this exploitation. When the Japs surrendered the Government announced that all taxes-in-kind and military service were to be suspended for one year.

Contrary to its promise, which is not worth one cent, another 12,000,000 tans of rice and 60,000 men are to be taken this year for civil war purposes! In many parts of this province people have no food to last them through the winter. Hunger and starvation will be the only possible consequence. Is there nothing to be done about this?

I am not such a sucker as not to understand that god-sent emperors or democratic leaders should never choose tyrannical methods like these. There is an old proverb in China: "Power conquers the body but kindness conquers the mind." Let our warlike warlords be awakened to this truth.

A CITIZEN.

Chengtu, Szechuen,
November 25, 1946.

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Protecting Puppets

To The Editor:

According to the *Far Eastern Economic Review*, Hongkong, No. 5, "Before he departed for Lisbon, Macao's last Governor handed over to the representative of Chinese government a list of houses purchased by the Japanese or alleged Chinese collaborators for confiscation. The Chinese government entrusted Central Trust and the Custodian of Enemy and Collaborators' Property for Fukien and the Liangkuang provinces with the task of liquidation.

"Among the houses is the magnificent mansion near Government House on the Praya Grande. It belonged to 'Admiral' Kan Shih-yuan, Japanese-sponsored commander-in-chief of naval forces for South China. Kan's name should be very familiar to those who read his proclamations in all vernacular newspapers in the Portuguese Colony in the early part of 1945 prior to the Japanese surrender. The 'Admiral' was perhaps the only Chinese naval commandant whose orders were printed in Macao journals without being restrained.

"Other houses to be liquidated were purchased by those who thought Macao would be safer than Hongkong after the Mikado's defeat. They did not realize the situation would be the reverse.....

"Collaborators of Isogai, Noma and Tanaka are holding large properties in Macao in trust for their respective beneficiaries, according to popular rumors in Macao."

Most of Macao's rich collaborators are now well protected by "special interests." Even a former gambling king and an ex-opium head, who have been placed under order of arrest by the Canton authorities, are now understood to be with some big shots in North and Central China.

Big collaborators in Hongkong were closely linked with Macao. One of Isogai's schoolmates, another opium king, still rules the dark forces of the two colonies. This gentleman, who has been accused of selling out many pro-Anglo-American agents, including his brother-in-law to the Kempeitai, is now harboring such notorious puppets as Two Dollar Li's wife and his chief-of-staff. Although Two Dollar Li was sentenced to death in Canton, his real estate investments in the two Colonies are very large. Two months ago when Isogai's opium trustee classmate, celebrated his birthday, Madame Two Dollar Li and her husband's chief-of-staff presented 20 tables of dinner, each costing HK$500, excluding wines, fruits, cigarettes and cumshaw fees.

If Hongkong's Chinese representatives were tolerant toward the collaborators, Hongkong's public has not been altogether silent. *The China Mail* and the *South China Morning Post* have been full of letters demanding the confiscation of properties bought by such traitors who now appear as arrogant as they were when they were serving their Japanese masters in persecuting pro-Allied elements. Here is an extract from the *China Mail*, Nov. 30, 1946:

"There remain houses and landlots purchased during the time when our enemy destroyed our properties and removed materials therein for the erection of the Imperial War Memorial.

"Such houses and landlots were bought with moneys earned by those trustees of enemy syndicates and monopolies. They were results of acts of collaboration detrimental to the Allied cause.

"We, who were arrested and tortured by the enemy Gestapo for our anti-Axis acts, know fully why our common enemy gave those who sold out their nations and friends chances to make fortunes to invest in real estate. We, who were not

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considered loyal to the East Asiatic Co-Prosperity area, were not even given a chance to make a living.

"We therefore hope the Government will go further to do justice. If the big collaborators should escape the gallows and doing time in jails because of the amnesty, let us destroy their ill-gotten houses and landlots. Let us tell them that their time is up; that their good protectors, Isogai and Tanaka, have been locked up; and that whatever rights and privileges, like houses and landlots, accrued in serving these war criminals, should be demolished or taken over by the victorious power for the benefit of all the loyal, of those who fought and suffered for the Allied cause."

It seems, however, that Chinese in Hongkong's government councils, most of them closely connected with the rich and wealthy, are trying to influence the Government to accept the collaborators' deals as *fait accompli*. The complainants will apparently have to be content with the publication of their letters by the press.

However, the British elements of the Government, most of whom suffered at the hands of the Japanese, are very reluctant to sanction such unholy transactions, as indicated in a recent speech by the Attorney-General.

Lady Cripps, in Hongkong for the relief of destitute Chinese, has been advised publicly to make use of the great wealth accumulated by the Chinese during the occupation days. If she can influence Londn's Colonial Secretary in effecting a drastic measure on collaborators' properties for the public good, she will not only release a big burden from many English contributors; she will pacify the majority of Chinese who are now oppressed by the collaborators who served under the Mikado.

WILLIAM W. WONG.

Macao,
December 1, 1946.

Whitewashing Reds?

To The Editor:

You are always blaming the Central Government for this or for that, but it seems that you are determined to find nothing but good points in the Communists. While you frequently attack the KMT's one party rule, you are never heard to breathe a single syllable against the obviously more thorough totalitarianism of the Reds.

Here in KMT held areas we see at least a semblance of democracy and are allowed a few of the Freedoms. We have parties other than the KMT, we enjoy non-governmental controlled newspapers, and we criticize the Government without being executed on the spot. Can you tell me that these freedoms, even though limited, are tolerated in Communist infested territories?

Do not imagine, please, that I am a KMT lover. I am not at all blind to the KMT regime's grievous shortcomings and blunders which you have been making, justly, the targets of attack in your Review. I would gladly consign this ill-reputed party with its evil practices to the devil if some truly democratic political group attained the power and importance to shoulder the responsibility of government.

What I am sore about is that your always lauding and never condemning of the Chinese Communists might lead people to believe in the perfection of Communism, which your own countrymen abhor. Thus unconsciously you might be aiding to spread the wild fire, as you should not do, and at the same time be doing not a little harm to your hard-earned reputation of impartiality.

YELLOW-SKIN K. Y. S.

Sungkiang, Kiangsu,
December 4, 1946.

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Age Of Moral Man

To The Editor:

As your paper was established in China a long time ago and as you are a veteran journalist in China, you probably have heard of the expression "Ho Lai Chu Shang." (後來居上). It means the next generation is better than the present one.

When we read Mr. Tzou Fah-hwang's epistle appearing in your Letter To The Editor column on Nov. 23 with the caption "Immortality," we could not but believe it is perfectly true and this kind of philosophy also will prove that the world is a progressive one. Let us explain.

Mr. Tzou's translation was very well done. It said, "The highest of immortality was....virtuous service (moral) .....way of leaving achievements (political).....handing down teachings and precepts (intellectual) to the generations to come" He prescribed three kinds of immortalities namely, moral, political and intellectual as the highest of all. Really, it is very, very wonderful.

But why we say this can be used to prove "Ho Lai Chu Shang?" It is because in 40 years' time we have had two famous and able men, Dr. Sun Yat-sen and President Chiang Kai-shek: the former liberated the Chinese from the tyrannical rule of the Manchus and the shackles of foreign imperialism; the latter spent about 20 years in conquering his rival parties, except the Communists, and defeating the Japanese. China has been nearly unified. But according to Mr. Tzou their services are "political," not "moral." Who, then, are to render the moral services? Undoubtedly, it is the next Chinese generation.

We do believe it is a hopeful thing, if not too late in coming. Recently, the *New York Times*, commenting on China's population said on Nov. 23, "After five months' investigation on the spot, the American-Chinese Agricultural Mission has come to the important, if not rather grim, conclusion that the fundamental problem facing China—the problem at the bottom of her trouble—is over-population in relation to the tillable land available. The mission also recommends serious consideration by the Chinese Government of measures to deal with the population pressure, which can only mean birth control; otherwise, China may appear to be a country of continued misery, famine, and revolt by desperate men."

But, dear Editor, who then is more able to exercise birth control: the "moral" man or the "political" man. Certainly, it is the virtuous people who have more power to control their animal passions. So one of our proverbs says, "Of all crimes obscenity is the worst; of all virtues filial piety is the first."(萬惡淫爲首，百行孝爲先).

We do hope our government will promote the moral teachings at once, as there is no need to wait for the next generation to do it, in which case we are afraid it may be too late.

HWANG WAN-FU,
CHENG YUN-HSIN.

Iping, Szechuen,
December 4, 1946.

China's Lincoln?

To The Editor:

Everyone in China seems to be worried about China's fate, while the military problems and political negotations have not yet been settled between the Kuomintang and Communist Party. Patriotic citizens cry, "social darkness," "official corruption," "the suffering of civil war," etc.

These descriptions do no good. They make us discouraged and attract atten-

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tion. These irresponsible speeches will make China lose her international position and she will be laughed at by foreigners. We should have self-respect. Don't be downcast. Wait and see!

China's rebuilding is a great and hard task. We must put down the revolution. Under the leadership of Chiang we will reconstruct a new China with a truly democratic regime. I hope that Chiang will become the Abraham Lincoln of China. If that is true 10 years from now, how great and powerful China will have become!

T. Y. TIEN.

Pucheng, Shensi,
December 5, 1946.

Eugenics

To The Editor:

China's needs today are threefold: first, she needs an improved human type; second, an undaunted and sound leader; third, a definite policy.

What we lack most today is character, which, it seems to me, cannot be achieved without resorting to a eugenics program. We need today men who do not fear death, but possess an untiring energy and adventurous spirit; men who will fulfill their duties, putting public interest before personal; men who care not so much for material gain as for the spiritual solace resulting from the achievement of things worthwhile.

Too many men have been timid, cowardly and pusillanimous in the face of war or any other danger. Such persons care only for their own families and persons, never dreaming for what purpose they are born. Few men care to fulfill their duties, but they want their compensation to outweigh their works. How many men are there who will attend to their duties punctually unless they are pressed by the authorities or by material gain? But most men care for money; sometimes they care for money more than for their lives. They are worshippers of the golden calf.

People of such character deserve nothing but the yoke. They are not what China needs, but what China wants to eliminate.

To carry out an eugenics program it is necessary that China be guided by a leader who is willing to pioneer without scruple of being condemned or cast out as a fanatic. He must not be hindered in the carrying out of his program. He must possess perseverance and sound judgment which others lack. He must frame a definite program, organizing the nation in such a manner as to guarantee her perpetuation and prosperity. With these elements at work China will be able to steer her course quite safely on the troubled seas of politics and commerce.

LI SHENG-TSAI.

Tsingtao,
December 7, 1946.

Ph. D.s As Brokers

To The Editor:

Mr. John W. Powell's article on "Hongkong: Now City of Refuge," in the Nov. 30 Review, describes what the Colony is. You can see American University Ph. D.s doing brokerage and living from hand to mouth under conditions which ought to be included in the 100th edition of the Hard Times.

They deserve good jobs and should have gone back and kowtowed before their divine, magnanimous, inviolable, infallible, omnipotent and omniscent leaders. Yet they chose to remain as exiles because they are defamed, persecuted and blacklisted by Gestapo organizations of their own rulers, supported and maintained by a state whose institutions of high learning gave them—the Ph. D.s— an education that a government of the people, by

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the people and for the people shall not perish.

The American-fostered dictatorship with its autocratic and despotic features in China obviously is envious of what Hongkong is—free, secure and relatively prosperous. According to the press, Canton's public bodies, labor unions, bar associations and educational clubs which could not exist without being dictated to by the Kuomintang, have decided to boycott the Colony today until the death of a hawker is fully redressed to the satisfaction of these professional agitators.

Such excuses deceive no one familiar with the centralized system of the Kuomintang secret service system. Hitlerite technique, the Reichstag Fire tactics, the war of nerves, are employed when Nuremburg has proclaimed that this system with all its ideological background should be outlawed by the civilized family of nations and international public law.

Why then should Washington continue insisting on upholding China's Fascists, who are determined to make Hongkong another Vienna, another Danzig, another Czecho-Slovakia, detrimental not to the Bolsheviks, because most of such Fascists were trained as Bolsheviks?

China is the only country where pupils educated in the schools of Himmler and Derjensky still rule together. These satellites of the Kings of Horror are not satisfied with their concentration camps and thought control measures in their own provinces. They want and are determined to extend their field of operation and reign of terror to this territory—Hongkong—where there still exist justice and the bills of rights, as we understand them in the modern civilized world.

America, yes, the United States of America, is supplying these enemies of free institutions and Anglo-American liberalism with funds and dreadful weapons of war to destroy American-trained refugees who firmly believed in the American system of jurisprudence and constitutional law.

M. C. CHAN.

Hongkong,
December 1, 1946.

On The Defensive

To The Editor:

Reading the letter entitled "Four Calamities," in the November 16 issue of your Review, I was reminded of an incident which took place here immediately after the Student Volunteers were demobilized and returned from the "front."

One of the local papers hoped in an editorial that the Student Volunteers would not feel *too* proud of having been Student Volunteers, and would maintain their good discipline notwithstanding demobilization. While the editorial said nothing really offensive to the good reputation of the Student Volunteers in the eyes of the public, the Volunteers had heard "a sour note sounded".

They crowded around the paper's building, threatening the editor with their vengeful fists. They said they had not yet committed a blunder and the paper was to be blamed for carrying such an editorial. The incident ended in the paper's printing an apology the next day.

I wonder if the Student Volunteers were so ignorant that they misunderstood the editorial, or if they merely wanted to show how noble and sacred they were.

"Even President Chiang spoke to us with a 'please.'"

Oh dear Mr. Editor, what do you think of those "honorable and educated" young volunteers?

P. N. W.

Yungchen, Fukien,
November 27, 1946.

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Let's Retire MacArthur

GENERAL of the Army Douglas MacArthur, erstwhile "Emperor" of Japan, and the man who led American troops to victory in the Pacific, has had a long and glorious career of public service and now, we think, should be ready for retirement.

An honor student at West Point, MacArthur gave early evidence of his ability. During World War I he made a brilliant record. In the years of peace after the first war he rose rapidly until, under President Hoover, he was chief of staff, the highest position an American Army man may attain.

Following retirement from this post, he was sent to the Philippines where he organized the Philippine Scouts. His record after Pearl Harbor is too well known to need repeating. Perhaps the outstanding example of his abilities as a general, however, was contained in President Roosevelt's description of how the decision to make the initial Philippine landing at Leyte was made. MacArthur had made the most elaborate plans for a landing elsewhere and the invasion was only three days away—with part of the invasion fleet already at sea—when aerial reconnaissance units reported Leyte undefended, while Luzon and Mindanao were heavily garrisoned. Word of this was sent to Roosevelt who at the time was in Ottawa with Churchill and MacKenzie King. After a quick conference with military aides, a query was sent to MacArthur, asking him if, in view of this latest information, he could shift his initial operation to Leyte. As we all know, MacArthur did it. We can think of few other military commanders who could have functioned so smoothly. Many, we imagine, might have done the same had they been given three weeks or three months instead of three days.

Since V-J Day General MacArthur has been almost absolute ruler of Japan. Theoretically, there is an Allied Council. In practice, though, MacArthur does as he pleases. So far he has not done too bad a job, although many mistakes have been made and more, seemingly, are being made as time goes on. Of course the Japanese occupation *seems* to be a much better functioning affair than it is because the orderliness of it is certainly a model when compared with areas administered jointly by the Allies, such as Germany, Austria, Korea, and so on.

A few reforms have been accomplished and an attempt, although somewhat feeble, has been made to remove the militarists from their privileged position, as well as to upset the Zaibatsu's position of economic domination. However, the reforms have been only partial and there is increasing evidence of MacArthur's growing reaction to anything progressive or liberal. He has recently begun to develop a tendency toward arbitrary action and gradually is beginning to behave like an old style commanding general who brooked no difference of opinion among his men.

When we were in Japan several weeks ago, it was common knowledge among newspapermen that SCAP was discriminating against the more liberal foreign journalists, making it more difficult for them to function, while secretly aiding those who wrote stories favorable to the occupation and praising MacArthur. One practice, which was alleged to be standard procedure, was for one of the SCAP press officers to call the Public Relations Officer, whenever he saw a critical story or an expose going out over the press wire. The PRO would then call in a "sympathetic" correspondent and give him a story, usually containing enough unpublished facts to make it a scoop, so that the "edge" or "play" normally expected by the first correspondent would be lost to a competitor.

While we were there we personally watched SCAP act as a strike breaker, causing the first really big Japanese labor demonstration to end in a dismal failure. The strike, called by the newspaper and radio workers against their employers, was "outlawed" by SCAP on the tenuous excuse that since radios and newspapers were responsible for giving publicity to SCAP directives to the Japanese people, such a strike would be against the occupation forces and thus would be illegal. Although it could not be confirmed, strike leaders claimed that American MPs had threatened the leaders with jail if they went ahead with the strike.

Last week a story from Washington pointed up the advisability of replacing the MacArthur regime with a more progressive one. Washington Columnist Drew Pearson revealed that MacArthur had banned representatives of several American newspapers from Japan apparently because they had carried stories unfavorable to the occupation. The U.S. War Department, obviously thoroughly irritated, admitted that Pearson was quoting a secret cable from MacArthur and indicated that if Pearson's informant were identified he would be court-martialled.

The idea of any little public administrator sitting in Tokyo and deciding what newspapers could send men into his "domain" is so ridiculuous it would be funny, except for the unhappy fact that "Emperor Douglas" may yet get away with it. The War Department reaction was equally ridiculous and equally dangerous. According to

its spokesman, the War Department desires to court martial the so far unidentified informer because he "violated military security." Our would-be fascists in the Pentagon Building apparently have not heard that the war is over. Likewise they quite possibly are not aware of the first 10 Amendments—the so-called Bill of Rights—to the U.S. Constitution which guarantee, among other things, freedom of the press. One of the more incredible parts of this whole fantastic business is the fact that among the papers Pearson listed were the eminently respectable and conservative *New York Herald Tribune*, *Christian Science Monitor* and *San Francisco Chronicle*, as well as the liberal *Chicago Sun*, left-wing *PM* and Communist *Daily Worker*.

This instance is simply an example of the shortcomings of the military mind when it is forced to deal with problems of peace when absolute subservience cannot be maintained on the grounds of "national security."

As we have said before, it is high time we got a halter on the military and led them back to the barn. The Army (and Navy) during peace-time should be relegated to a position of relative insignificance. Care should be taken, though, to see to it that it is in reasonably efficient shape and readiness. However, it should be made clear all around, that in a democracy it is the job of the military to protect the country and not to run it.

Quandary

About 20 delegates to the National Assembly have been handed over to the courts for trial. The *Shun Pao* says here is a difficult situation which defies solution because "all these cases cannot be settled before the convocation of the Assembly.

Housing Scheme

CIVIL servants and members of the teaching profession are going to benefit from the recently announced scheme on the part of the Joint Administrative Board of the Four Government Banks to relieve the post-war housing shortage. For this purpose a loan of CNC$20,000,000,000 is to be underwritten—40 percent by the Central Trust, 20 percent by the Bank of China, and 20 percent by the Bank of Communications, with the balance subscribed by the Postal Remittance & Savings Bank and the Farmers Bank. The construction of 2,000 houses is planned.

This is a good plan and one which should have been evolved about a year ago, since it is known to one and all that there is a housing shortage after every war.

At the same time, it is said that the Central Bank of China is spending CNC$10,000,000,000 building houses for *its* staff members; the Bank of China allocated CNC$2,000,000,000 and the Customs CNC$3,000,000,000 for the same purpose. The Bank of Communications is reported doing the same for *its* staff members.

It would be encouraging to hear of something as tangible being done for the members of the teaching profession.

On the private enterprise in building side, the Municipal Government has published a set of regulations designed to stimulate individual construction by granting priority in renting municipal land, exemption of taxes on newly built houses and other deductions. These measures, it must be said, are very commendable and it is to be hoped that they will have a stimulating effect on private building here.

A Date To Remember

ONE morning, a little over five years ago Shanghailanders woke up considerably later than the inhabitants of Pearl Harbor, that is, those of them who did. For those who woke up, the war with Japan had already begun and brought certainty to Pearl Harbor in the form of destruction. Only uncertainty came to this city.

To the course of the world war as a whole, this Japanese attack was beneficial, for it awakened the American people to the dangers of appeasement and the philosophy of "it *can't* happen here."

The loud noise that began the new vigil which finally ended aboard the victorious USS Missouri in Tokyo Bay is no longer audible physically, but a mental picture of the day will suffice.

Japan had developed a habit of starting all her wars and incidents without giving much of a sporting advance notice to her victims. The victims, victorious, should give ample notice to Japan that never again will she be given the opportunity to pearl-harbor any of her neighbors, weak or strong.

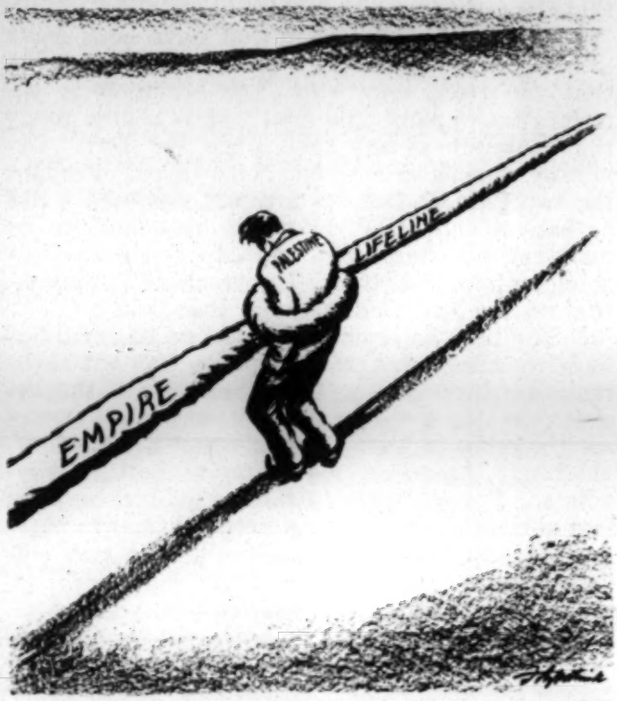
Many countries in Europe have had a taste of the particular brand of "Pearl Harbor" which Nazi Germany successfully practised in her heyday. In Europe, in fact, "Pearl Harbor" did not mean simply the blasting of a powerful advance base. It meant years of occupation, concentration camps, Oswencim and Buchenwald. Many people in Europe will probably never recover from this experience, not to mention those to whom it no longer matters.

It is only natural that the peace must so be built that not Japan alone but any other potential aggressor with similar tactics—waking up peaceful citizens in the middle of the night with a hail of bombs—must find it impossible to resort to this method of promoting domestic interests at the expense of others.

In the United Nations, the instrument wherewith security against future "Pearl Harbors" can be achieved, are gathered the representatives of nations who have experienced this calamity and also of those whose citizens only read about it in the papers.

Therefore, let the delegates of those countries which have not had the pleasure, bear in mind the experience of those which have. And on the basis of this negative phenomenon, much too often recorded in recent history, let positive action for collective security arise.

"Remember Pearl Harbor!"



Divide & Rule, Again?

THE London conference on India was called to bridge the gap between Congress and the Muslim League. It has only widened that gap. And this change has come about thanks to the sudden reversal in the stand taken by Attlee and his India "experts." For the sum total of their efforts to "reconcile" the two Indian factions has been to say, in effect, that since the Muslims refuse to agree with Congress, Congress must make way before the Muslim wish. In other words since the minority refuses to "play ball" with the majority, that majority must shelve its plans, plans which Britain herself drafted almost a year ago.

The London conference has therefore done more harm than any previous effort of the British to mediate in the problem. After giving Congress the green light for almost a year, during which time Congress established the Interim Government, and laid out plans for a Constitution, Britain suddenly changed the signal, leaving Congress stranded in the middle of the intersection from colonial status to independence, with the Muslims, whose hopes were declining, and whose willingness to cooperate on independence therefore mounting, jubilant over this happy situation which makes possible the scuttling of the entire plan for a united, as opposed to a split, Pakistaned India.

Why the British umpires should have given a decision in favor of the Muslim League, when all spectators agree that the game in London was an even tie, is something that we cannot understand. We did believe, sincerely, that Britain meant to go through with her promise to give independence to India. The latest "meddling" on the part of Attlee very strongly suggests the possibility that we were wrong all along and that Attlee has, after all is said and done, acted in exactly the same manner as would have any Conservative premier interested solely in maintaining control of India.

Just what Britain expects Nehru to do under the circumstances is not clear. Does Britain, after having told Nehru that complete independence is impossible until the Muslims are willing to allow it, expect Nehru to continue to be a sort of chief steward to the viceroy, the leaders of a sort of permanent caretaker government, which is all that the Interim Government is? Or does Britain expect Nehru, in disgust, to resign and let the Viceroy build up independence in India? Frankly, we do not know what to think.

A year ago, the big problem was whether Britain was willing to get out of India or not. Britain solved that problem by saying that she was. The great problem today is whether Britain intends to keep her pledged word or not. The statement released after the London conference clearly indicates a retreat from Britain's former avowed policy. Is Britain going to make any more reversals on her previous stand? That is what the world wants to know.

As far as we can see, unless Britain is willing to back Congress in the latter's efforts to give independence to India, the entire sub-continent will become one major battlefield, with the Hindu and Muslim adherents of Congress on one side of the front, and with Britain and the Muslim Leaguers on the other. In that case Britain will be fighting the Muslim League's battle for it, while the Muslim League will fight to keep Britain in India.

Nehru may yet go through with his plan. He can open the Constituent Assembly, adopt a constitution, and then challenge the British to prevent him from putting that constitution in force, Jinnah backing or opposing that constitution. Or Nehru may just resign and let the British go right ahead courting disaster. In either case, Congress will not give up without a fight. Too many promises have been made in the past, and too many of them broken by the Raj to hoodwink the Indian people.

Britain for almost a year played the role of a comparative neutral. Today she has backed the Muslim Leaguers and stacked all the cards against Congress. That does not amount to neutrality. That amounts to clear partisanship. And Attlee hasn't even been subtle in making the change. He's just banged down his cards, in a "take it or leave it" play.

Up to the time of the London conference, it was up to the two Indian factions to settle their differences, and come to an understanding. But now matters have been reversed. Now it is up to the British government to decide whether it wants to remain neutral, and allow a majority to go through with the constitution or whether it is going to back a minority against a majority, especially after that majority has done nothing to alienate that minority.

The New York Times reports Mexico offers a broader outlet for U.S. apparel and textiles. And, may we add, baseball players.

Gen. Marshall's Future

GEN. George Catlett Marshall, the man to whom no problem was impossible while he served his first love, the army, will this month be celebrating (if celebrating at all) the first anniversary of his new job—chief mediator in China. Just what Gen. Marshall thinks, to himself we mean, is something that only the good general knows. But we have few doubts that in his heart must be murder. For Marshall has been "in the political dugouts" for well-nigh a year. And instead of the advances so dear to a soldier's heart, Marshall has only been able to hold his own ground when conditions have been favorable, and has had to retreat when pressure became too strong.

Let us face realities. Marshall no more desires to mediate in China than would he desire to be a baseball umpire when the crowd gets mad and starts to tear down the stadium. Yet orders are orders. And to an old soldier orders come before anything else. Marshall has become what in military terms is known as a "stickler," one chained to his position with orders to beat off attacks as best he can, but not to advance.

The question today is therefore this: Why should Marshall pay the price for present American policy in China? Every shift in that policy has brought new difficulties, new worries to Marshall. Washington glibly tries out new policies —Marshall has to clean up the mess when they don't succeed. And in the meantime both factions in China grow suspicious, and both sides fight shy of making commitments to each other and to the Presidential Mediator.

We believe that the time has come when the United States should make up its mind concerning its mediation efforts. Marshall has done his best under prevailing circumstances, circumstances he did not bring into being, but which hold him in a net through which there is no chance to break. Perhaps Marshall is getting used to playing the role of a martyr—or is he a scapegoat? In any case he has had precious little support from Washington. More often than not he has been on his own, has been expected, singlehanded, to get out of the mess in which an inconsistent American policy during the past five years has landed the United States.

It is about time that the State Department, and other departments which are parties to the game of deciding on American policy in China, decided what to do. For martyrs make interesting reading, but martyrs do not always solve problems. And so long as America's policy in China remains a shifting one, Marshall will continue to be a martyr, a tragic soul sacrificing his own time and desires for an end that has no end.

We believe that the events of the past twelve months should have convinced the United States government, as they must have convinced Marshall, that a halt must be called somewhere, sometime. Perhaps there could be no better time than the present. With a general overhauling of America's present policy, perhaps Marshall could do something. Without it, the State Department and President Truman are wasting both their own time and Marshall's.

Despite all the efforts that have been made to bring peace to China, it must be obvious today that far from improving, the situation is deteriorating rapidly, and civil war is nearer today than possibly at any time since V-J Day. Obviously something is wrong somewhere. Perhaps the two Chinese factions are just stubborn. But perhaps if "neutral" Marshall were able to be more neutral, thanks to a revised American policy, things might be better. The trouble is, however, that no one has tried to revise that policy.

The time has come when either Marshall has to be recalled, or American policy has got to be revised. It is one or the other. Until the decision on this question is forthcoming we cannot see the sense in hiding the fact that neither Marshall nor American mediation is getting anywhere. It never pays to enter a quarrel between two parties unless you can settle it, and to their mutual satisfaction. If you can't, then stay out.

Note Of Reminder

Since CNC$25 notes have no more purchasing power they will be destroyed.—*Chinese press reports in October.*

The SMG deficit for November came to CNC$4,084,760.79.—*Finance Bureau press release.*

Will someone burn these one cent notes, and if that doesn't help, wreck the decimal part of the abacus at the Finance Bureau.

Autonomy For Inner Mongolia

RACIAL autonomy demanded by Inner Mongolian delegates to the National Assembly has touched on the application of Dr. Sun Yat-sen's Principle of Nationalism. How this principle is covered and implemented through the constitution to be adopted by the current Assembly will also show how far Dr. Sun's ideas are being translated into life.

This principle, in the first place, raises China to a level of equality with other nations existing outside its borders, and in the second place aims at granting equal status and opportunity for development of racial culture and characteristics to the racial groups within China's own territory.

Some quarters have endeavored to discover a conflict between this racial equality and the implementation of local self-government. They have argued that since the representatives of the Han and the Meng races live so closely intertwined in the regions known as Inner Mongolia, the granting of local self-government would automatically exclude the establishment of racial autonomy. For they say, if the hsien is to be self-governing, where does the banner come in? There would spring up two local self-government organs side by side thus impairing the realization of this Principle of Nationalism.

There is not much weight in the above method of reasoning for it is only expressing the fear that the Meng people would get too much freedom if their wishes are realized. And it is clear that no one ever suffered from too much freedom.

What the Inner Mongolian delegates are asking is that their leagues be considered as provinces and their banners as hsien when this ques-

tion of local autonomy is considered. And, we understand, wherever Mongolians live within the hsien they will be subject to the jurisdiction of the hsien local government. There may arise certain difficulties in the course of this delineation, but as the *Ta Kung Pao* said the other day, "this is only a technical problem which it would not be difficult to solve."

An example in history is yet to be found when a racial group or minority has insisted on seceding from a state which has granted it a sufficient measure of autonomy and which has allowed it to develop on the basis of its own culture, language and customs. People don't run away from freedom, and the fear that the Inner Mongolian peoples will run away as soon as they are granted the racial autonomy they demand is based on muddled thinking.

There's Gold In Conscription

NOWADAYS, it is not necessary to work for CNRRA or UNRRA or for some Government agency to strike gold. Even in such an out of the way place as the Huochia district in Northern Honan, gold veins run on the surface for those who have eyes to see.

Huochia, they say, is a poor and unproductive district and the inhabitants are no race of Rockefellers. Recent events, following the Japanese occupation, have further increased the plight of the people of Huochia. Then came conscription and with it pao chia and village chiefs, who also suffered under the trying circumstances and were eager to restore their station in life.

There were able-bodied youths who were not exactly eager to serve in the armed forces. That was easily arranged: CNC$720,000 worth of millet per household would exempt the most robust and militant youth from fighting for his country.

In the area around Chengchow, the officials in charge of conscription are more realistic: they collect CNC$1,200,000 worth of millet per recruit-to-have-been.

Also, in Chengchow, they must have read Shakespeare, for this outright bribe they have named "family maintenance funds for able-bodied men."

Gold, they say, is where you find it, and the conscription chiefs have learned this adage well and found their pot in the famine-ridden areas of Honan Province.

Entertaining The Delegates

THOUSANDS crowded Nanking's Ming Tomb Airport last Sunday—the fifth anniversary of Pearl Harbor—to watch a simulated paratrooper attack upon the city, staged "for the entertainment of the delegates of the National Assembly."

Undoubtedly, those delegates opposed to the way the Assembly has been conducted, as well as those delegates representing far away places and who have been complaining of oppression, misrule, etc., must have been far from "entertained" by the sight of the sky filled with airplanes disgorging 20th century warriors armed to the teeth with the latest devices for killing.

While the development of an airforce and paratrooper units unfortunately is necessary today and shows that the present government is doing its best to keep China's armed forces modernized so that in the future there shall be no easy aggression as there has been in the past, the timing of this demonstration seems to us rather inappropriate.

Such a show, attended by virtually all key Central Government military men, as well as the Assembly delegates in whose honor it was given, suggests that it was more than a lesson demonstrating the need for a strong airforce. This is especially true in view of the many recently-alleged official statements about how easily the Communists could be crushed in the field, and the numerous rumors of an impending paratrooper attack on Yenan. Also, we think that the putting on of a mock "air blitz" by an ally of ours on the anniversary of Pearl Harbor was in very bad taste.

25 Years Ago In Millard's Review Of The Far East

Dec. 17, 1921.

Exports Up!

The basic condition of commercial activity is to be sought for in exports, which by reason of their own force, entail the inauguration of the counter move imports. Against general expectation the month of November saw more exports than most of the previous months. During the second half of November, Lyons purchased in Shanghai alone raw silk valued at more than Francs 30,000,000 while America, after a long pause, appeared again as a buyer, taking more than 1,000 bales of high grade silk. This in face of rapidly diminishing local stocks and correspondingly higher prices. Other lines of exports were much less in evidence.

* * *

20-Cent Pieces

In spite of protests from all sides, Canton continues to mint 20-cent pieces in large quantities. The material used is principally bar silver, but it appears that Canton additionally has bought up the old Dragon 20-cent pieces, which are of a superior fineness, in order to replace these with its inferior new 20-cent pieces.

10 Years Ago in The China Weekly Review

Dec. 12, 1936.

Abdication

The abdication of King Edward VIII was officially announced in Parliament late on December 10. His brother, the Duke of York, succeeds to the throne. The British official organ in Shanghai headlined: — "People stunned with disappointment; Resentment that country has been sacrificed for woman."

* * *

"Nibblers"

With war clouds hanging over the Orient, China has once again been propelled into the international limelight. Speculation is especially rife on China's stand on the supposedly inevitable clash between the uniformed Samurai and the Red Moujik. A few observers believe that the conflict would benefit China by badly exhausting her powerful neighbors, who have already "nibbled off" a few of her outlying provinces.... Whatever the outcome of the struggle, pessimistic observers believe, China is doomed to servitude...."

Economically Strong, United China Impossible As Conditions Worsen

(McGraw-Hill World News Service, Shanghai Bureau)

FAILURE of American mediation and worsening economic conditions bring China and the United States to a day of economic decision. The verdicts and their implementation will determine the pattern of business in China for the next two decades. Upon them depends whether China will become a major factor in international commerce.

The U.S. long has subscribed to the great aim of creating an economically strong and united China. On its part the Chinese government has given lip service to this goal, while in reality it has completed the wrecking of its war shattered economy. What assets China possessed at war's end have been thrown away in civil strife. Along with her blue chips, China has given up the opportunity offered by the West to become a dominant industrial power in the Far East.

Foreign Capital Quits

Under the impact of inflation, speculation, corruption, bad administration and government entry into any profitable business, the Chinese enthusiasm and hope of September 1945 have given way to utmost depression and pessimism. Bankers and businessmen have abandoned their plans for industrial development and expansion; many are battling to keep solvent. These conditions, plus an unreasonable flaunting of the new-found national sovereignty and status as a member of the Big Five, have driven away foreign capital as well. Only an abrupt reversal can save China from a minor role in the Far East behind India, Japan, Soviet Asia and the Philippines.

China's economic power only exists as a potential. Without an economy creating wealth and purchasing power, the great China market is a semi-myth. On the other hand, an economic revolution would mean big business for years to come in terms of finance, equipment, raw materials and technical know-how.

Modest though it is, the five year program recently proposed by the defunct Central Planning Board of the Supreme National Defense Council calls for expenditures of US$1,000,000,000, half at home in local currency and half abroad. It requires the mobilization of 4,500,000 workers and 500,000 technicians and managers. When completed China would have a plant only five percent as big as that of the U.S. The question mark is how and under what conditions China willl get the project or a revision under way.

Physical Plant Small

Neither Chinese nor foreigner nor government will finance new industrial enterprises under present conditions. High labor costs, inflation and speculation eliminate profit possibilities. Lack of fixed demarcation of government business enterprises poses a continual threat to private development. Yet to carry out any program China must mobilize all her private and public resources and must attract every possible assistance abroad.

Except for North China and Manchuria, the physical plant taken over by China is woefully small. There are no facilities for making even small die castings in Shanghai; there isn't an automatic screw machine or countless other tools that are the basis of modern industrial societies. Even the Japanese built industries of the Northeast are in bad shape. These were equipped with second class inefficient machinery in the beginning and were heavily worked during the war. China begins industrial development from the ground.

In the field of finance, China can muster from private and government sources about US$1,500,000,000 in ready cash (foreign exchange. gold bullion, stock holdings abroad). Out of this must come China's contribution to the World Bank. There is probably an additional US$500,000,000 to US$700,000,000 tied up in commodities. Unfortunately this is frozen since it can be turned into cash (unstable Chinese currency) only at a slow rate.

Printing Presses Busy

Government income can not contribute to China's rehabilitation for several years. National expenditures exceed total income by US$50,000,000 to US$70,000,000 per month and taxes by about US$150,000,000 per month. Despite huge profits and income from sale of gold, foreign exchange and alien property and from government operated companies like the China Textile Development Company, the printing press pours about $160,000,000,000 of new Chinese currency into the circuit every month.

Cutting of expenses on any scale is impossible for at least two years. Roughly 75 percent of all payments from the national treasury are made to the military machine. Even if it were started today, demobilization is scheduled to take 18 to 24 months. Since many of the leading powers in the government are bent upon military eradication of the Communists (this is at least as important to them as defeating Japan), demobilization will remain in the plan file for many more months.

Increasing income, the alternative, appears impossible. As stocks of gold, alien property and foreign exchange dwindle, revenues also must decrease. Reliance on the printing press as a budget balancer will continue, but on a bigger scale than before.

Stabilization Far Away

Thus, real currency stabilization is further away than ever. Stabilization is impossible until expenditures and income are balanced or until a fixed national income is reached that will service loans to cover deficit spending. Government finance not only can't contribute to economic development but, because of its definite inflationary aspects, seriously brakes mobilization of other capital.

China can furnish the necessary unskilled labor, but does not have near enough technicians and managers to carry out any five-year plan. At most 150,000 of the required 500,000 are available. Management personnel and foremen make up the greatest shortage. Old Chinese methods, steeped in nepotism, personal connections and squeeze, are inconsistent with the demands of modern industrial administration. National Resources Commission Chairman C. C. Chien states, "if our industrial reconstruction should fail, it would be on account of management." He recommends sending more Chinese abroad for training and inviting foreign experts to fill the great gaps.

Actually many western experts did visit China in the past 20 years and helped plan for China's reconstruction. However, their works are beautifully bound, neatly filed plans, which are shown to any inquisitive visitor. There is nothing else to show for their labors. It becomes essential that future experts be given authority to execute as well as plan. Industrial development is of more import to China than the luxury of national pride.

Civil War & Inflation

The over-riding decision for China is the civil war. It is the fertile soil that has given root to the inflation, the speculation and the politically inspired labor situation. So far every economic move of the national government has been directed solely to keeping the ship of state afloat. These moves have seriously handicapped every enterprise except those controlled by the state or allied by family to high government officials. In the first category are the China Textile Development Corporation, the Central Trust of China and the Universal Trading Corporation. In the latter group are T. L. Soong's Fu Chung Corporation, the Yangtze Development Corporation and the China Merchants Steam Navigation Company.

If the civil war is continued, there is no prospect for development in China. Government expenditures will rise, inflation will increase, speculation will continue and political strife will widen as economic stagnation grips more and more of the country. Order under these circumstances can be maintained only by keeping China an armed camp with Kuomintang troops spread throughout the land, parasitically consuming more and more of China's wealth.

A prolonged period of peace would create the only atmosphere in which righting China's basic ills can be accomplished. Demobilization of the army to 500,000 well equipped, trained and paid troops could cut government expenditures in half. The Government then could stabilize the currency, eliminate speculation and give impetus to the economic revolution.

Permanent peace, of course, can result only from such a revolution. As long as China's economy is in its

Inclusion Of UN Charter In China Constitution Thought Unwise

By MOONDON S. K. YEE

Hongkong, Nov. 26.

THE National Assembly, originally scheduled to be inaugurated on November 12, finally was convened on November 15 despite the Communist boycott.

This revised draft is a revision of the Draft Constitution drawn up by the Central Government on May 5, 1936; hence it is popularly called the May 5 or Double Five Draft Constitution. When a comparison is made of the May 5 draft and the revised form, it will be found that the rectification has been quite general, and the resolutions of the Political Consultative Council, in which the Kuomintang, Communists, third parties and independent leaders participated, have been partly adopted.

Compared with the original that "the Republic of China is a republic of the Three People's Principles" (中華民國爲三民主義共和國) Article 1 now reads: "Based on the Three People's Principles, the Republic of China is a democratic republic of the people, by the people and for the people (中華民國基於三民主義，爲民有，民治，民享之民主共和國)

Article 1 is especially to be commended because in its modified form China's "form of state" is more definite and is not entirely bound by the principles of one single party, the Kuomintang. Though it is still based on the Three People's Principles of Dr. Sun, it has also been broadened to include the word "democratic" and Lincoln's concept of "of the people, by the people and for the people," which will serve as check and balance.

The phrase "the Three People's Principles", however, appears only once in the rest of the revised draft. Inasmuch as Dr. Sun's principles and Lincoln's concept are two in one and one in two—a sort of Dr. Jekyll and Mr. Hyde, it will not affect the essence of the revised or future Constitution. Therefore, the Kuomintang is urgently expected to extend this generosity in the National Assembly convened and dominated by it.

It should be strongly pointed out here that Article 137 deserves to be denounced for it specifically prescribes that China's foreign policy must be based on the spirit of the UN Charter. The article reads: "The basic foreign policy of the Republic of China must be based on the spirit of independence in order to cultivate friendly relations with foreign states, fulfil treaty obligations, observe the UN Charter, promote international cooperation and to assure world peace." (中華民國之外交應本獨立自主精神以敦睦邦交，履行條約義務，遵守聯合國憲章，促進國際合作，確保世界和平，爲基本政策)

The article should be taken off the future Constitution for two reasons:—

Firstly, inasmuch as a state, according to international law, is a political body able to fulfill its international obligations and is free from foreign control, it is apparently unnecessary for China, which has been *de jure* recognized by foreign powers as a member of the "family of nations," to include the Charter in her Constitution. Unlike Indo-China, Burma, Canada or Australia, China's foreign policy is regarded by international law as independent and automatic, no matter whether she follows the foosteps of Washington or Moscow.

Secondly, the Charter may be amended in the future. It is already dominated by some powers, as was the Covenant of the defunct League of Nations. Under such circumstances, will China still have to keep the Charter indiscriminately?

Furthermore, international developments some times make it impossible for a state to be consistent with its foreign policy. Soviet Foreign Minister Vyacheslav Molotov is strongly opposed to British, U.S., French and Chinese efforts to restrict the use of the veto power in the General Assembly. This means the veto provisions of the Charter have become detrimental to China's foreign policy, but not Soviet Russia's. China and the other three nations in time may probably have to conspire together to infringe the Charter if an amendment cannot be obtained. If that be the case this international document will eventually become as impractical as the Covenant, and China's Constitution, presumed still to exist, will have to be amended, with the words "United Nations Charter" declared.

It is to be hoped that the 1500 delegates chosen by the Kuomintang,

current medieval state, any new idea or party can attract countless supporters by promising a bigger share of the land's produce.

Lacking peace and economic development, China can hope for only a minor role in world trade and in the family of nations. Her seat among the Big Five will be taken over by any of several more productive, thus more powerful countries.

Present trade figures outwardly belie this. Careful study, however, backs up the premise that China is well on the road to unimportance in world trade. Imports for the first nine months of 1946 of US$448,600,000 were greater than those of any year since 1930. The U.S. share of US$256,500,000 or 57 percent is double what the U.S. has sold in China in 20 years. Furthermore, products made in U.S.A. rank first in all but four of the 32 import classifications of the Chinese Maritime Customs.

However, payment for US$350,000,000 of the imports was made out of dollar balances built up during the war years. Exports paid for less than one-third of the imports. At the present rate of use, dollar balances will be exhausted by late 1947 and future imports can only be paid for from returns from exports.

Now, exports are at their lowest level. This table shows the export position as compared with the years immediately prior to the Asiatic war:

COMMODITY	UNIT	1936-37Average	1946 Estimate (World News)
Tung Oil	lb.	209,100,000	45,000,000
Tungsten Ore	ton	11,370	4,700
Eggs (frozen, dry)	lb.	139,000,000	65,000
Raw Silk	lb.	8,560,000	2,250,000
Tin (ingots, slabs)	lb.	26,825,000	0
Raw Cotton	lb.	82,715,000	8,000
Tea	lb.	85,910,000	7,500,000
Bristles	lb.	10,260,000	9,000,000
Wool	lb.	33,610,000	3,000,000
Peanut Oil	lb.	91,440,000	100,000
Hides, skins	US$	11,431,000	10,000,000
Embroidery, laces	US$	9,275,000	4,000,000
Medicinal Plants	US$	3,200,000	7,700,000

Producing facilities have been damaged during the war and transportation is now disrupted so that a modest revival of exports will take at least two years, under the most favorable conditions that the government can provide. As an example, China's biggest pre-war export, tung oil, will not get above 65,000,000 pounds until at least 1949. Tung trees were cut for firewood during the war and old trees were not replaced with new plantings because the fighting had cut off markets. Estimates of the China Vegetable Oil Company place production at 100,000,000 pounds annually for 1947 and 1948, of which domestic buyers will take 35,000,000 pounds. If transportation is not restored from Szechuan to Shanghai, much less will be available for export.

Abnormal production costs eliminate hope for revival of the egg business. The same factors handicap silk, especially in view of the fast revival of the Japanese industry, which SCAP officials predict will have a world monopoly by 1951.

Even a recovery of exports to prewar levels will not bring China up among the great trading nations of the world. During the 1930's, China handled about 1.2 percent of international commerce and ranked about twentieth among all nations. Since the U.S. and Great Britain are anticipating a period of great world trade, China must have a great economic development if she is to be at all important.

H'kong Regaining Pre-War Position As Shipping, Commercial Center

By JOHN W. POWELL

HONGKONG, long one of the world's foremost shipping centers, appears well on the way toward resuming her pre-war position of eminence, and, some observers predict, may even surpass the high mark set in 1924 when 56,731,000 tons of shipping cleared the port. Canton, though, while also an important pre-war port, shows little if any indication of revival, except in regard to smuggling and a certain amount of river traffic to and from interior ports.

The reasons for the rapidly expanding trade at Hongkong and an almost comparable decline at Canton are not difficult to discover. First, Hongkong is an ideal port with adequate deep-water anchorage. Moreover, the general economic situation in Hongkong is relatively stable and the duties levied are mostly nominal so that essentially it is still a free port. Canton, meanwhile, is not so desirably situated for ocean-going ships and, unfortunately, is subject to all the economic and administrative evils at present prevailing in China. In addition to having to abide by the restrictive, monopolistic government rulings, Canton businessmen are a long distance from the financial heart of China at Shanghai and have little voice when it comes to competing with Shanghai businessmen for foreign exchange permits, etc.

Trade Figures Rising

Foreign consulates in Canton report the issuance of consular invoices only occasionally, although Hongkong's export figures show shipments of native Chinese products consigned to foreign countries. For instance, China's official wolfram production figures are virtually identical with Chinese Customs' export figures of wolfram to Russia. However, considerable quantities of Chinese wolfram can be bought and are being bought in Hongkong.

Likewise, Canton's Customs' figures indicate only small and infrequent imports, although Hongkong's export figures for European and American products are quite substantial. Hongkong's total imports during September of this year were HK$110,764,938 (US$27,641,234), while exports for the same month were HK$97,834,001 (US$24,458,500). Thus, only HK$12,930,937 or slightly more than US$3,000,000 worth were genuine imports in the sense that they were consumed in the Crown Colony. Needless to say, the country which loomed largest in both import and export trade with Hongkong was China.

450 Ships In 9 Months

Hongkong's trading position has improved markedly during the first nine months of this year, with an average of 450 ships aggregating 1,000,000 tons and carrving 90,000 passengers now being cleared monthly. Merchandise legitimately exported and imported from January to September was valued at HK$1,148,063,394 or US$287,015,863. While the value in terms of Hongkong Dollars appears to be extremely high (HK$846,583,924 worth of cargo was cleared in the first nine months of 1939), it must be borne in mind that the Hongkong dollar has depreciated so greatly that the true value of imports and exports during the first nine months of 1946 probably runs only to between 25 and 30 percent of imports and exports during the same period of 1939.

However, as Hongkong's volume of trade has risen monthly all year and is expected to continue to do so, it may not be long before the true pre-war figure is reached. Providing world shipping recovers from the war and the present wave of strikes, and providing that the monopolistic, trade-killing tendencies of Nanking are not halted, there is little one can see to prevent Hongkong from playing a vastly more important position in the economic life of South China than it did in pre-war days.

Shanghai Losing Ground

Further, there are already signs that considerable trade is being diverted from Shanghai to Hongkong because the latter offers so many unexcelled advantages in the way of low handling costs, cheap storage and an excellent position geographically for smuggling to the long, irregular Kwangtung coast. It is quite possible, so long as Chinese can buy foreign exchange on the black markets throughout China, that South China's trade with the outside world may eventually become almost entirely illegitimate.

From the foreigner's point of view, it makes little difference how he trades, or with whom, so long as he is able to trade with a profit. From the Chinese businessman's point of view, it is vastly more satisfactory to trade illegally in Hongkong, paying off a few officials and smuggling both native merchandise out and foreign merchandise in, than it is to attempt to accomplish the same by legitimate means.

The South China exporter is faced with the problem of selling his merchandise through the Central Government insofar as the handling of money is concerned. The Central Bank gets whatever foreign exchange he may obtain and pays him in Chinese National Currency at the official rate. Further, the Central Bank sometimes is so slow in making payment that the importer is forced to borrow at high interest rates in order to purchase new stock.

Smuggling Rampant

If, however, he smuggles his exports to Hongkong, he can obtain Hongkong dollars which he can sell on the black market immediately for CNC with which he can purchase more native goods for export. Further, he is able to keep his profits in stable Hongkong currency in the British Crown Colony where they are safe from either taxation or confiscation by the Central Government. Or, if he wishes, he can invest his profits in imported goods which he can smuggle into China and sell for fantastic prices. Any way one looks at the situation, it immediately becomes obvious that for the South China businessman smuggling, even with its attendant risks and charges, is the only answer.

With smuggling so attractive, it is little wonder that several large smuggling organizations, as well as pirating and hijacking groups, have sprung up. Rumor has it that many high national and provincial officials are silent partners in most of the smuggling rings. Meanwhile, almost nightly battles occur between smuggling groups which refuse to pay "tribute" and Chinese Customs' patrols.

One recent battle took on the aspects of a small war with both sides using modern battle tactics and employing machineguns and other types of automatic weapons. In this particular fray both sides sent out advance patrols who engaged each other while the main forces were being maneuvered into position. Various nearby villages—allied with the smugglers—sent up signal flares, with the result that the smugglers not only got their pack train, consisting of 400 coolies carrying about 100 pounds each, safely through, but administered a sound beating to the Customs' "Army."

Hijacking And Piracy

Hijacking and outright piracy have become so commonplace along the Pearl River that sampans even along the Canton waterfront will not cross the river at night for any price. The larger junks plying up and down the river between Hongkong, Canton and interior ports are heavily armed as it is not always possible for them to anchor at a sizable city each night. The better-armed larger ones carry cannon as well as machineguns. One huge junk I saw had several sheets of armor plate erected around what appeared to be a field artillery piece mounted on the deck.

It is doubtful if the Central Government could suppress the smuggling and general lawlessness unless it employed a substantial military and naval force. Since the smuggling itself (and the pirating which preys upon it, as well as the legitimate trade) has become so profitable and so well connected officially, anything less than an expedition probably would have little chance for success.

While Nanking restricts private importers in an effort to husband its

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representing the party and also two-thirds of the population of China, can unanimously vote to exclude Article 137 from the future Constitution, otherwise it will only serve to invite severe criticism from the Communists and independent elements of China, and the seed of future trouble in our foreign policy will have also been sown.

An Analysis Of Inner Mongolia's 6-Point Demand For Autonomy

By CHANG T'IEN-FU
(張 天 賦)

ON December 1, a press conference was held jointly by the Inner Mongolian delegation to the National Assembly and several other Mongolian groups in Nanking, with an attendance of more than 100 reporters, both foreign and Chinese. During the interview many of the representatives from various Mongolian leagues expressed their opinions of the revised draft constitution; their main point was the demand for Inner Mongolian autonomy.

Mr. Pei Yun-tin made a particularly notable statement to the effect that Inner Mongolia is a part of China and Mongolian problems are those of China herself, but the revised draft of the constitution does not mention the autonomy and rights of Mongolia, a point neglected by the framers.

Mr. Pei voiced the following six demands:

1. All races constituting the Chinese Republic are equal and in places where there are minority tribes, their autonomous rights must be protected.

2. *Mengs* and *Chis* (alliances and banners) must enjoy the same rights as those enjoyed by provinces and districts in the election of delegates to the National Assembly.

3. The Legislative Yuan must have at least 30 Mongolian members and the Control Yuan at least 17.

4. As Mongolia is divided into leagues and the leagues are composed of banners, a Mongolian league must hold a position equal to, and enjoy the same rights as, a province; a banner must be equivalent to a hsien.

5. The banner shall be the basic unit of self-government in Mongolia.

6. Cattle and sheep raising must be given the same protection and help as farming.

After the overthrow of the Manchu dynasty we adopted the banner of five colors, symbolizing the equality of the five races—the Han, Manchurian, Mongolian, Mohammedan and Tibetan. We consider racial discrimination abominable and all races are equal in the eyes of the law. President Chiang said in his "The Destiny of China," "China is an amalgamation of various races and religions. We can find the amalgamation enlarged and developed through the ages, but it comes into existence not through force or might but through culture. The way to amalgamate is to assimilate, not subjugate. The Chinese are cosmopolitan with the idea of 'We are all brothers within the four seas in our hearts.'" This is not empty talk. Discrimination has never been shown against the Mongolians either before or during the present administration.

During the war of resistance Mongolians contributed neither men nor money to help win the war. On the contrary, Prince Teh of Mongolia tried his best to help the Japanese; he supported the Imperial forces and the puppet troops in Manchuria with all his heart. He claimed an autonomous state and drove the Chinese forces from Charhar and Suiyuan. He established his United Leagues for Self-Government of Mongolia with Hao-ho as the capital. Many Mongolians have demanded self-government of the same high degree advocated by Prince Teh, the pro-Japanese Mongolian, which has proved fruitless.

We are by no means against self-government for a minority race, but we do hold that if the self-government exceeds reasonable limits it will do the country more harm than good. On the other hand, if the bond which holds the various races of China together grows stronger all of us will profit. Otherwise the harm will know no bounds. There are many instances of groups which have become puppets of a foreign power after being instigated by the latter to claim self-government of a high degree. We must take this as a lesson.

Better Than Double Fifth

In the revised draft of the constitution provisions concerning the minority races cannot be said to be complete. There are omissions, yet, as a whole, it is better than the Double Fifth draft. For instance, Article Five of the Double Fifth draft only says that the people of the Republic of China are equal before the law. Article eight of the revised draft says that the people of the Republic of China, irrespective of sex, religion, race, social class and political belief, are equal before that law.

The Double Fifth draft allots only six seats each of the Legislative Yuan to Mongolia and Tibet. But the revised draft allots eight seats apiece. The Double Fifth draft provides that the representatives of every province, Mongolia, Tibet, etc. shall elect two candidates to the Control Yuan to represent said province or district; from the two candidates the National Assembly shall elect one to be a member of the said Yuan. Under the revised draft the Mongolians will have eight seats. It is evident that the rights of the minority races are better protected in the revised draft.

As to the first point brought out by Mr. Pei, in my opinion no change of the draft is needed. The revised draft provides that there shall be no discrimination against race and religion, and all people are equal before the law. The provinces are the highest unit of self-government. That provision shall apply mutatis mutandi to the League of Mongolians, so they will enjoy the same amount of autonomy as any other racial minority as a matter of course.

It is out of proportion to their population that the Mongolians should have 30 seats in the Legislative Yuan and 17 seats in the Control Yuan as demanded in the third point.

As to the fifth point, it seems unnecessary and too trivial to provide in the constitution that a banner shall be the Mongolians' unit of self-government. This is more properly included in the administrative law than in the fundamental law of a nation. In the revised draft the league is taken as the basic unit in the consideration of Mongolian autonomy. This is a good idea. It would not be proper to use "banner" which came into use in the days of Emperor Kang Hsi of the Ch'ing dynasty when a Mongolian revolt was put down and the people divided by the conquerors into "banners." As this is not the original name it may one day fall into disuse.

As to the sixth point, Mr. Pei asked for provisions protecting pasturage. It is quite natural that a Mongolian should so ask, as cattle raising is their principal occupation. But this also should be provided for by administrative rather than constitutional law. In the constitution it is sufficient to provide that the economic life of the people shall be protected. We hope that in the future Mongolian life will become industrialized. To the second and fourth points raised by Mr. Pei, due consideration should be given during the discussion on the chapters of National Assembly and the Jurisdiction of Central and Local Governments.

foreign dollar reserves, and also to ensure a profitable market for the millions of dollars worth of surplus American goods purchased on credit, the illegal trade in and out of South China via Hongkong increases monthly. For Canton, Shanghai and other ports this means a gradually decreasing volume of business, but for Hongkong it means increasing prosperity.

Time-Honored Lunar New Year May Precipitate Crisis Here

By BEN Y. LEE (李炳郁)

CHINA can hardly pass a Lunar New Year without incurring a financial crisis—almost an annual affair. A couple of months prior to the traditional Chinese New Year, which will fall on January 22 this time, merchants and hoarders begin to buy New Year commodities by borrowing money even at exorbitant interest rates in expectation of high prices, as the whole country spends money like water on this great occasion. If business and interest rates are normal, everything goes well. Contrary to our expectations, the overall picture of business at the end of this year does not appear bright. A financial crisis as anticipated this year will be more serious than in any of the previous years.

It is a well-known fact that Chinese merchants have three settlement days each year; the Dragon Boat Festival on the 5th day of the 5th moon, the Mid-Autumn Festival on the 15th of the 8th moon, and the Chinese New Year. It is an established custom that every debtor try to liquidate his debts and outstanding accounts on each of these three important occasions. Since the farmer, the artisan and most of the merchants are unwilling to follow the Western calendar, we are still celebrating the Lunar New Year in our accustomed way, with the same spirit and enthusiasm as our ancestors did a thousand years ago. Officially, the Lunar calendar has long been abolished. Unofficially we still observe it; New Year's is called the "Spring Festival."

Control Order Flops

The Ministry of Finance recently ordered the Central Bank to curb exorbitant interest rates on the local money market by forceful measures. Official regulations prohibit the high interest rates charged by so-called "underground" native banks. Weeks have passed. Interest rates are just as high as before. The attempt to stabilize the money market has so far failed as completely as the attempts to stabilize the U.S. dollar, cotton yarn and flour. It may be concluded that exorbitant interest rates are mainly due to supply and demand and not so much to illegal practices on which we are easily led to lay the blame. As soon as the urgent demand for money is satisfactorily met interest rates will find a reasonable level.

Local official interest rates are purely nominal and whenever loans are contracted they are done unofficially on what is now called the black market, in much the same manner in which U.S. dollars, cotton yarn and flour are traded. All modern banks charge their clients 10 percent per month plus three to five percent for miscellaneous expenses, constituting a total of about 15 percent per month, which is comparable to the black market rate.

Without a sound economic basis official regulations will sooner or later become a passing show. The real cause of the present high interest rates is inflation. Moneylenders cannot accept a lower interest rate while commodity prices are soaring daily and some one is willing to pay what is asked. The business mind can work wonders in evading surveillance of the authorities.

Cash Shortage Acute

Many business and industrial concerns are in urgent need of cash to tide them over the Lunar New Year and are willing to accept short loans at high interest rates. Such loans are contracted privately. For instance, when a firm borrows CNC$1,000,000 on the black market at 15 percent per month, it gives the lender a check for CNC$1,150,000 due a month later. CNC$150,000 may be entered in the books as "social expenses." How are the authorities to find out?

The lending business is becoming risky and is losing much of its attraction owing to the growing number of concerns going out of business without being able to meet their obligations in full. The risk involved is driving those who seek investments for idle funds made. Speculation and commodity hoarding are the only temporary means of utilizing idle funds; the result, of course, retards the country's economic recovery and jeopardises the people's livelihood.

Black market interest rates vary from 15 percent to 17 percent per month. Some enterprises, particularly those of a speculative character, are willing to pay as high as 20 percent per month. At the rate of 15 percent per month, with the interest compounded monthly, money will be doubled in less than five months and approximately quintupled in a year. A modern bank on Peking Road recently advertised in Chinese dailies that deposits in the bank are guaranteed to bring six percent per month plus a four percent bonus.

NOTICE

Commencing January 1, 1947, the price of *The China Weekly Review* will be CNC$1,000 per copy. Subscription rates will be increased proportionately. These increases, we regret to say, are unavoidable due to the tremendously increased cost of production and are being put into effect with the utmost reluctance.

During the remainder of December, subscriptions will continue to be accepted at the current rates.

A large number of firms and factories, particularly the small and newly established ones, are threatened with bankruptcy unless the economic situation becomes better overnight. About 300 business firms, eight knitting factories and numerous small industrial concerns declared their insolvency recently after suffering heavy losses attributable to high wages, high interest rates, etc.

It is welcome news that the Central Bank is determined to take a hand in dealing with this critical situation. It plans to issue reportedly unlimited temporary loans to industrial and commercial concerns at a very low rate of interest to tide them over their financial difficulties. Whether or not small concerns and concerns without backing can get loans from the Bank remains to be seen.

The long established custom requiring that debts be paid at the close of the old year may force more commercial and industrial concerns into bankruptcy, thereby precipitating a severe financial crisis. It is considered a disgrace not to pay and the unlucky debtor who cannot discharge his pecuniary obligations at the appointed time is liable to be treated with contempt. Very often, however, it is just a matter of "adjustment." The pressed debtor is obliged to borrow at an exorbitant rate of interest in order to satisfy his debtors and save "face."

Quaint Old Custom

The debtor would not be trusted during the coming year if he failed to pay his debts at New Year's. His old friends and business acquaintances would decline to give him credit and hesitate to have business dealings with him. Despite many advantages to the custom of clearing up all debts at the end of the year, there are some postponed payments which cause grief to the creditor and debtor.

According to custom the creditor must not not approach the debtor for payment on New Year's Day. For this reason, an urgent creditor is often seen, particularly in the interior, going about in the early morning of New Year's Day, carrying a lantern, looking for his creditor. His artificial light indicates that by social fiction the sun has not yet risen, it is still yesterday and the debt can still be paid! Without a lantern the search for debtors and the collection of unpaid bills would not be tolerated after dawn on the morning of New Year's.

Most firms are obliged to advance prior to every important festival wages and salaries for the current month, especially at New Year's. Many prosperous firms give handsome bonuses to their employees on this great occasion.

Many Invoke "Face"

Those who have money are usually obliged to lend it at New Year's to their needy friends and relatives. Various types of pressure may be brought to bear. The solidarity of the social structure and considerations of "face" may be invoked. The

borrower may enlist the aid of someone superior in social standing to intercede with the lender. The loan may be granted unwillingly but it is usually given.

Merchants of good moral character can enjoy the maximum possible accommodation from the native banks, which usually grant credit to men of such standing. In times of business crisis the native bank frequently gives invaluable financial assistance to needy merchants. Though the granting of loans without tangible security is usually contrary to sound banking practices, men of good standing are often aided by native banks.

Sanctuary Sought

The creditor himself sometimes pays "a friendly call" on his delinquent debtor at his home, and after the customary diplomatic talk presents his bill, if other measures of collection have failed. The Chinese creditor very seldom resorts to harsh measures in collecting debts. He considers that the entrance of an attorney would end amicable relations. Tact is always used to the limit. Experience of the expense and difficulty of recovering debts through the courts induces the Chinese creditor to avoid such a harsh step. He would usually write off the unpaid debts as loss rather than create a "row," which would cause both creditor and debtor to lose "face."

To avoid paying his accounts on the last day of the old year a debtor sometimes has to hide himself somewhere or take a trip as an excuse. A haven for debtors is the temple, according to old-fashioned practice; no debt collector is supposed to press his debtor in the holy premises, interrupting prayer.

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Woes Of City Of Tienmen Typical Case Of Postwar Disillusionment

By ARNOLD CHAO

THE city of Tienmen numbers 830,000 inhabitants. It is situated northeast of Hankow, within the area irrigated by the Tung Ting Hu, a lake adjoining Hunan and Hupeh. After years of enemy occupation the city again is in the hands of the Nationalists. After eight years as a refugee in Chungking, one of Tienmen's native sons, revisited his home. In an article appearing in the *Min Chu Pao*, published in Chungking by the Democratic League, the traveler recorded his impressions of Tienmen.

When Gen. Huang I-hua, commander of the 16th Division of the National Army, arrived with his men to take over the administration of Tienmen on September 23, 1945, the jubilation of the population suppressed during long and arduous years of Japanese occupation greeted him. The people's joy and high hopes were attested by the many slogans posted on the walls. The cheerful colors of these tributes had scarcely faded, according to the *Min Chu Pao's* informant, when abuses by the Nationalist Army and civil authorities of the Central Government began to disillusion the people.

Old, Old Story

Rice levies and compulsory labor were nothing new to the city, but the farmers, not having enough rice for their own needs often were forced to go to the usurers for money to settle their taxes in cash. The traveler observed that they were forced to pay the authorities twice the amount that should have been paid if the price of rice set by price control authorities were observed. The collection of rice at times made it difficult for the people to buy seed against the next planting.

The army is also reported to have requisitioned a great variety of needful things—even toilets—which were taken from the inhabitants for the convenience of army officers' families. Army officers and soldiers are reported to have bought things at half price, railing at the shopkeepers as "*Wang Kuo Noo*" (people of an enslaved nation) if they offered any objections.

Transformation Witnessed

Chien Tien-peng came to Tienmen as the first magistrate appointed by the National Government after the Japanese surrender. The citizens avow that he arrived dressed in cheap, government-allotted clothing of coarse quality; scarcely a month after his arrival he possessed more than 100 ounces of gold, according to popular gossip. He was later ousted by the provincial authorities on charges of bribery in connection with the trial of Nih Toong, No. 1 economic collaborator with the Japs.

The attitude of the government in dealing with collaborationists was a terrible disillusionment to the people who had held the nationalists in high esteem. On the grounds that the "lesser" traitors and collaborators were not guilty enough to be classed with those who committed "treason against the state," the local authorities are said to have concentrated the former for training instead of trying and punishing them. Later they blossomed forth as local functionaries —exactly what they had been under the Japs!

Collaborator Acquitted

Shao Ta-fu, an ace collaborator of the Central China provinces, was found "innocent" by the court after repeated hearings. According to the *Min Chu Pao's* correspondent Shao was among the worst economic offenders. He was one of the "big three" of the Japanese sponsored Central China Cotton Company and was connected with the Japanese military secret service; he established business firms in Chengchow, Honan; Hsiayang and Shasi, Hupeh; in Hankow, and in Tienmen for the collection and transportation of cotton, nickel and other materials necessary for the production of ammunition and minted coins.

The article alleges that through such economic cooperation with the enemy Shao became the owner of 12 warehouses, a monument to his wealth. He hoarded cigarettes, candles, cloth, cotton yarn and opium, availing himself of enemy facilities and of his great prestige among puppets. Throughout most of the war he dominated the markets in Central China, causing the bankruptcy of numberless lesser merchants. That is how the people remember him, but it is said that he purchased his innocence by presenting gold bars to a top army officer in Hankow who certified that he had been sent by the National Government to do underground work in the Japanese-occupied areas.

Pockets Stuffed

It is alleged that the liquidation office of enemy and puppet properties was established only after the pockets of local officials were well stuffed with money. The liquidation of one particularly rich property (Nih Toong) yielded only a pair of gold chopsticks.

Tienmen has served as a source of money and manpower for both the Kuomintang 128th Division and the Communist New 4th Army. The farmers of Tienmen are reported to have a good crop this year, but they can hope for little with the ominous clouds of war again clouding the sky.

NEWS OF THE WEEK

Government To Send Envoys To Yenan; Reds Said Not Jubilant

GEN. Chang Chun, Governor of Szechuen, who recently toured the United States, and Secretary-General of the PCC Shao Li-tze have reportedly been chosen by Generalissimo Chiang to fly to Yenan to attempt to break the deadlock in the negotiations which set in after the opening of China's Constituent Assembly. A Communist spokesman in Nanking reacted negatively to this announcement, saying that Yenan will inssit on the two conditions for resumption of peace talks wired by Gen. Chou En-lai to Nanking recently, viz:

1) The dissolution of the present Assembly; and

2) The restoration of troop positions as of January 13.

If it is remembered that Generalissimo Chiang had termed these two "demands" impossible, it is clear that the situation has hardly changed with the naming of the two peace envoys.

Wang Ping-nan, who was left by Gen. Chou to represent Yenan in Nanking, said that the Communists would fight "until a change in the international situation and the weakening of the Kuomintang Party necessitate a fresh approach." He termed Gen. Chou's two conditions for reopening of the talks as "flat and final."

Late last week, Chou wired his two conditions after "a fortnight's consultation with Mao Tse-tung and the Central Committee."

On the other hand, the Generalissimo was quoted as saying that "The Government has not yet closed the door to peace. It is the unchanged policy of the Government to settle internal disputes by political means."

Earlier last week, the Communist spokesman in Nanking assured newsmen that the Communist Party will fight on the political front, "and if necessary on the battlefields," for a coalition government, but has no intention of overthrowing the present Government of China, either by political and military means. He added that Communist forces would never attack Nanking, even if they succeeded in closing in on it, "because Nanking is the National capital."

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EUROPE

THE Big Four Ministers—United States, Great Britain, France and the Soviet Union—have arranged to meet in Moscow on March 10, to draft the German peace treaty, said to furnish the only basis for disagreement in Europe after the Trieste and other Central European issues have been successfully solved.

In preparation for the meeting, the French submitted a draft agenda which included the discussion of the future of the Ruhr and Rhineland, control measures for European security, particularly Germany's future frontiers, permanent political organization for Germany, reports of the Allied Control Council on demilitarization, denazification and democratization of Germany, the liquidation of Prussia and other pertinent problems.

That both Britain and the United States do not expect a speedy solution of the main outstanding European problem—the German peace treaty—is evidenced by the merger of the two zones of occupation recently, designed to make them a single economic unit, eventually leading to self-sufficiency.

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Belgium's motion calling for the withdrawal of United Nations' ambassadors and ministers from Franco Spain was carried by 27 votes to seven, with 16 abstentions, in the UN Political Committee. Earlier, the recommendation of the Polish delegate demanding severance of diplomatic relations with Spain was lost when the voting resulted in a tie—20 for and 20 against.

Senator Tom Connally, supported by Cuba's Guillermo Belt, spoke against the severance of diplomatic relations with Franco's Government, as likely to foment a civil war and harm the Spanish people rather than unseat the dictator.

Earlier, Connally called on Franco to resign and allow the Spanish Provisional Government to hold elections. Connally introduced a resolution which provided that Spain would not be admitted to the UN as long as the present regime remains in power.

Following the American delegate's speech, Dr. Oscar Lange of Poland stated that the existence of "one partner of the fascist Axis "causes friction in other countries, providing shelter and refuge for defeated fascist ideology, for Nazi and fascist personnel, for German assets and for German industrial and commercial skill."

He said this fact provides the ground from which fascist activity "hostile to the ideals and objectives of the UN can spread over Europe America and North Africa."

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In Greece, a regular civil war continued spreading, with fighting especially severe between guerrillas and government troops in Aegean Peloponnesus.

A peculiar situation developed in the Greek Parliament when that body heard a proposal to do away with a government bill liquidating the Second Officers' List, containing the names of those who have been inactivated but still remain on the army roster.

A Government representative stated that the Parliamentary Commission was not empowered to alter the text of this Bill in as much at it had been sanctioned by the head of the British Military Mission in Greece, Major General Rawlins.

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The French upper chamber was last week elected with the majority of seats going to the Movement Republicaine Populaire, second place going to the Communists, and a kind of balance of power was obtained between the two chambers as the Communists hold the majority in the lower chamber.

Although the upper house is essentially consultative, it has the right to propose legislation and can return bills for reconsideration to the lower house. In such cases the bill will be considered passed if supported by an absolute majority of the lower house. In the lower house the Socialists and the Communists do not possess this absolute majirity.

On the economic side, Finance Minister Robert Schuman announced a "drastic" balance sheet, which involved expenditures amounting to Francs 600,000,000,000, almost seven times greater than the budget for the last prewar year.

The budget provides for Francs 100,000,000,000 in agricultural and industrial subsidies, bringing the gap between revenue and expenditure to more than Francs 300,000,000,000.

Reuter's Harold King commented: "France is spending well above her income and is heading straight for poverty unless she faces economic realities."

In the preamable to the budget the Finance Minister exhorted the nation to increase the volume of exports in order to "maintain its standard of life," and to pay for her imports.

Settlement of the German problem is the key to Europe's future. Disagreement among the four powers has hampered economic and political decisions and led to the sharp division over the question of Germany's organization.

New York Times

China's Civil War

As Reported Day By Day In The Press

December 4, 1946

A COMMUNIST attack on a combined passenger-freight train near Peitaiho, on the Peiping-Mukden Railway, was reported by UP. Five cars were derailed by two mines planted near a bridge, the report said.

Another attack against the same line occurred near Lanfang, an important station 40 miles southwest of Peiping, UP said. The Reds were reported to have occupied a village five miles from the station.

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December 5, 1946

A *Ta Kang Pao* report from Peiping alleged that the Communists had launched an attack on Taiyuan, while another 20,000 Reds were advancing on Wuan, in Honan, 130 miles north of Kaifeng.

Central News said that more than 10,000 Communist troops were in the vicinity of Chungyang, 80 miles southwest of Taiyuan. Another Red column, the agency said, reached Chuchiatien from Lishih, 12 miles north of Chungyang.

The Nationalist drive against Dairen was reported halted, pending negotiations for formal take-over from the Chinese Communists, UP cabled from Peiping.

* * *

December 6, 1946

Communist troops attacked Paimiaotsun, 20 miles northeast of Peiping, in broad day light, according to UP. Casualties suffered by both sides were reported to be heavy and Nationalist reinforcements have been rushed to the scene. UP estimated that 1,000 Reds took part in the attack.

Another attack on the Peiping-Mukden railway derailed a locomotive and eight cars at Chating, 22 miles northeast of Tientsin, the same report said.

Heavy fighting was reported 65 miles southwest of Taiyuan as Red troops pressed on Taiyuan, *Reuter's* reported. Nine counties have already fallen to the Communists in western Shansi, the report said.

In Shantung, 50,000 Communist troops are attacking the Kaoyi-Chiaohsien area, according to the *Ta Kang Pao*.

* * *

December 7, 1946

A "state of confusion" exists in Honan, according to the *Hsin Min Pao*. Communist troops, the paper said, are pouring down from the Taishing mountains into Northwest Honan, an area recovered by Nationalist troops only two months ago.

Taiyuan, 105 miles northwest of Kaifeng, fell into Communist hands, *Reuter's* reported.

The same dispatch revealed that Communist troops had captured Weihsien, 75 miles west of Kaifeng, earlier in the month.

* * *

December 8, 1946

Communist troops renewed their advance on Paoting, capital of Hopei province, pro-government quarters in Peiping said.

A Red column has bypassed several government detachments and reached Hsushui, 112 miles northeast of Paoting. Another column 5,000 strong was reported to have pushed to within 10 miles east of Paoting.

A *Reuter's* dispatch from Nanking said that General Liu Po-cheng's Red troops captured Yengchen, strategic hamlet in Kiangsu. Other detachments advanced to encircle Kinghsiang, 75 miles northwest of Suchow, important railhead and the Government's main supply base in North Kiangsu.

Communist sources said Nationalist forces lost 6,000 men in North Kiangsu, while the Reds evacuated Tinghsi and Tsaoan hamlets seven and 14 miles north of Tungtai, respectively.

Yenan Radio said Communist troops shot down one B-24 bomber and one P-51 combat plane during a month of fighting in Kiangsu.

* * *

December 9, 1946

A Yenan dispatch claimed that since July, Nationalist troops suffered losses of more than 110,000 men in the Shansi-Hopei-Shantung-Honan region. Among them, the Communists said, 60,000 officers and men were taken prisoner, including divisional commander Chao Hsi-tien, and a number of brigade commanders. A total of 16 brigades were claimed annihilated, "including four American equipped armies," the report said.

* * *

December 10, 1946

Communist troops were said to be shelling Chungyang, in Shansi, which has been under siege for 10 days. The garrison commander sent a message to General Yen Hsi-shan saying: "We will live or perish with the city." Chungyang is the last stronghold on the way to Taiyuan, which is 45 miles off.

Fighting in North Kiangsu reached its peak, with the Reds hammering at Shuyang, 50 miles northeast of Huaiyin, according to UP.

On the southern section of the front, two government columns were converging on Yencheng, and have already taken points 13 and seven miles southeast of the city.

A *Central News* report claimed that 15,000 Red troops crossed the Sungari River in Manchuria and began their offensive against government positions.

Communist forces are beginning to withdraw from Malanchen, 100 miles southwest of Yenan, following the latest Nationalist thrust into the southern sector of the Yenan border region, the *Hsin Min Pao* said. Government troops had already captured Liulinchen and Yangchintien, about 100 miles southwest and southeast from Yenan, the paper said.

A *Reuter's* report from Nanking said the Reds were continuing their attacks on beleaguered Chunyang, in Shansi.

This is reminiscent of the present British policy of stepping up exports, giving them priority over domestic consumption.

Another land reform went into effect last week in Central Europe when Hungarian peasants obtained between five and 10 Hungarian acres each with the breaking up of all estates above 100 Hungarian acres. A total of 451,500,000 Hungarian acres were distributed to more than 600,000 landless peasants who have been tied to the land of others for 1000 years.

The famed ducal estates of Count Esterhazy and the Duke of Festetich, both of which comprised 350,000 and 100,000 Hungarian acres of land, respectively, have disappeared. They now own no land for under the Land Reform Act only landlords who possessed less than 1000 Hungarian acres are allowed to hold a limit of 100 acres. An exception was made to landlords who were active against the Nazis and they have been allowed to retain 300 acres.

According to Reuter from Budapest, the new peasant owners, in spite of lack of equipment, have produced enough food this year to meet the country's requirements until the next harvest.

Communists Claim Initiative

THE fifth month "of the civil war launched by Chiang Kai-shek bolstered by American aid is a milestone which marks the passing of the intitative from the hands of Chiang's attacking troops into the hands of the popular armies of the liberated areas," Yenan Radio said, quoting an *Emancipation Daily* editorial. The paper said that the Government seized 17 county towns in November, while Communist forces recovered 15. "This shows that the strategy of exchanging heavy losses for capturing towns no longer holds true," the radio announced.

India is sending K. P. S. Menon, its agent-general in China, to Moscow to discuss with the Soviet Government arrangements preliminary to an exchange of diplomatic representatives between the two countries. Menon will also visit several other European countries during his trip.

Gold Continues Climb Despite Sale Of 8,000 Bars; Stocks Fall Lower

THE upward trend continued during the past week in Shanghai's financial and commodity markets. Because of higher quotations in Tientsin, Hongkong, Canton, Taiyuan, Hankow and other cities as well as the lack of any profitable outlet for large sums of idle capital now concentrated in Shanghai, gold quotations continued to rise and reaching a maximum of CNC$2,930,000.

Analyzing the situation, one businessman gave 10 reasons for the gold rise, including:

(1) the high price of gold in other cities, with around CNC$3,400,000 quoted in Tientsin and CNC$3,200,000 in Hongkong;

(2) the unsettled political situation in the interior (where gold is demanded in payment of taxes in the so-called Communist-controlled areas, according to the *Sin Wan Pao*);

(3) demand for gold by outport merchants who have sold their native products in Shanghai (as it is easier and more profitable to bring back gold than cash or commodities;

(4) the repeated rumor of further revision of the foreign exchange rate and general lack of confidence in *fapi;*

Demand Many-Sided

(5) the demand for gold by those merchants who sold American bank notes recently following the promulgation of the revised temporary import and export trade control regulations;

(6) moneylenders have found it more and more difficult and risky to lend out money and decided instead to buy gold;

(7) continued inflation is causing an increase in the prices of gold as well as commodities;

(8) the number of gold bars sold by the Central Bank of China is insufficient to check gold prices;

(9) many stock merchants sold stocks and shares to buy gold as business in stocks and shares remains very poor with continued declines in quotations, and

(10) the resumption of speculation in gold by exchange shops on Szechuen and Kiangse Roads (deals in lots of from 50 to 100 bars are common.)

In an attempt to hold down the gold price, the Central Bank during the week sold 4,128 bars through the regular channels at the following quotations:

Dec. 2	40 bars at	CNC$2,750,000
3	101 bars at	CNC$2,730,000
4	107 bars at	CNC$2,735,000
5	180 bars at	CNC$2,782,000
6	130 bars at	CNC$2,865,000
7	70 bars at	CNC$2,902,500

In addition, the Central Bank sold more than 4000 bars in the black market. As a result of the dumping of large numbers of bars by the Central Bank, gold started to drop this Monday (December 9), when gold was quoted at CNC$2,860,000.

With the increased gold price and the increasing demand for greenbacks by some importers, American bank note quotations advanced. On December 9, the American dollar was quoted at CNC$5,070.

Wing On Slumps To $393

Business in the Shanghai Securities Exchange remained quiet with quotations of Wing On Textiles were quoted on December 10 at CNC$393 as against the high of CNC$845 early in October. The following gives the daily turnover in the Exchange during the week:

	Spot	Forward
Dec. 2	6,404,500	10,993,000
3	4,984,600	7,611,500
4	5,562,500	4,641,500
5	16,747,500	15,966,500
6	4,091,000	5,592,000
7	3,627,000	5,049,500

In commodities quotations for cotton yarn in the black market have continued to decrease since Monday (December 2), from CNC$5,300,000 to CNC$4,800,000 for 42's Blue Phoenix yarn. Important meetings were held during the week by high officials, including Dr. T. V. Soong and officials of the Textile Control Committee for the improvement of the market condition. It was reported that definite decisions have been reached regarding the importation of raw cotton from abroad to the value of US$200,000,000.

It was reported that the imported raw cotton would be distributed to the mills according to their requirements. The Textile Control Committee is now making a thorough investigation of all stocks of raw cotton in town.

The following table gives the quotations of some of the leading commodities during the week under review:

	Nov. 30 CNC$	Dec. 7 CNC$
Gold Bars	2,725,000	2,887,000
US Dollar notes	4,930	5,070
Bond C	1,420	1,290
Wing On Textiles	478	446
Ewo Cotton	6,300	5,150
Rice	59,000	57,000
Wheat flour	18,800	19,500
Peanut oil	135,000	109,000
20's Yarn	2,700,000	2,350,000
Raw silk	4,000,000	4,100,000
Artificial silk	3,950,000	3,800,000
Ruby Queen cigarettes	16,700	18,300
Koo Ban soap	48,800	48,800
My Dear matches	610,000	600,000

Mechanization Favored To Increase Crops

THE acute food shortage and serious lack of draft animals are speeding up the mechanization of agriculture. Britain champions a plan whereby equipment is to be furnished through the United Nations which would also regulate production and distribution of crops. This scheme, however, requires at least 500,000 tractors by 1947, the bulk of which would have to come from Britain, and the United States. Prospects are poor with the latter's industry slowed down by strikes. But plan or no plan, the trend towards mechanization will continue as long as shortages of food and animal power provide impetus.

In Europe's liberated areas nearly 3,000,000 draft animals were killed during the war; in South America inflation has made the use of draft animals unprofitable; India and China plan to use machinery on the new areas to be opened up. The immediate result of this increased demand is a severe shortage of machinery, but bigger and better crops eventually are anticipated.

The World Trade Alliance Association proposes a plan which meets with British approval. Through the Food and Agricultural Organization 200,000 units of tractor drawn equipment would be sold to the governments of less mechanized areas to be resold to farmers on easy credit terms. Beginning in 1947 this program would continue for three years, financed by World Bank loans. The areas to be mechanized—in Europe, in Asia, in Latin America and in Africa—comprise 55 percent of the 175,000,000,000 acres that produce the eight principle food crops. The increased production resulting in these areas would be under international supervision.

The main difficulty is that there are not enough tractors. The 500,000 units required by 1947 to implement this plan assume a production of 370,000 in the United States, an increase of 40 percent over 1945, and 100,000 units to be produced in Britain—four times the production of 1945. The remaining 30,000 units are expected to come from Europe, whose factories have not yet resumed produciton. US production has been held down by strikes with little prospect of an appreciable increase over the production of 1945.

Chances are that the British plan will fail in the beginning due to lack of equipment and that later other governments will balk at the proposed control over their economies.

華僑銀行分行海上
Oversea-Chinese Banking Corporation, Ltd.
Head Office: Singapore
Shanghai Office: 120 Kiukiang Road
Tels. 13176/7

Small Deficit Reported By SMG In November

THE Finance Bureau of the Shanghai Municipal Government reported an insignificant deficit for the month of November—only CNC$4,084,760.79. Total revenue for the month amounted to CNC$10,932,051,421.78 and included the Municipal Reconstruction Tax, which accounted for 8.80 percent, the Feast Tax, which brought in 22.18 percent, and the Amusement Tax, which yielded 23.98 percent.

On the expenditure side, 3.35 percent went for General Municipal expenditure, 14.45 percent for Educational and Cultural expenditure, 25.24 percent for Economic and Reconstruction expenditure, 19.64 percent for Public Health, 25.84 percent for Police expenditure, and 2.62 percent, or a matter of CNC$313,927,515, for Social Security and Relief.

13 Banks Said Involved In Canton Smuggling

REPEATED reports from Canton that smuggling there had taken on proportions of organized gangsterism, involving huge vested interests, were partially confirmed this week when *Central News* cabled from Hongkong that three landing craft in Canton were discovered carrying contraband silk and silver to the mainland.

The Customs authorities were able to trace the smugglers' connections to 13 Canton banks, which will now be forced to close down, the report said. The smugglers admitted operating over a large territory, including Hongkong, Shanghai, Canton and Hainan Island, and said their vessels were purchased from the U.S. Navy.

The confiscated silver, which the contrabandists expected to ship on to India where prices are higher, will be handed over to the Central Bank of China.

Students Await Soong's Word On Exchange

ONE example of how one Chinese dollar is worth 35 cents in a matter of some 60 days was illustrated by a group who plan to go abroad to study in foreign universities, provided, of course, they can get the other 65 cents back from the government.

At a press conference last week, representatives of the Committee of Certified Private Go-Abroad Students, Shanghai branch, voiced their hope that Executive Yuan President T. V. Soong would soon authorize them to buy foreign exchange at CNC$2020 per U.S. dollar, the rate prevailing at the time the government examination was held. Practically all other matters in connection with their going abroad to study have been settled, Dr. Soong's decision being thus the final word.

One of the largest silk mills here, the Sin Ta Silk Weaving Mill, declared bankruptcy this week with a loss of CNC$1,600,000,000. The mill operated 200 weaving machines of its own and in addition rented 100 from other mills.

BUSINESS FOOT-NOTES

During October, Japan sent to the United States 4,642 bales of raw silk, while China exported only 80 bales, of a total of 5,956 bales of raw silk. Italy sent 1,234 bales, according to the American Silk Council, Inc., in New York. Stocks of raw silk on hand included 52,644 bales of Japanese cargo and only 952 bales Chinese raw silk.

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American oil companies, in particular the Standard Vacuum Oil and Texaco, are finding it very diffcult to dispose of their CNC notes obtained through the sale of their products here. They are thus unable to remit their funds to their head offices, according to the *Shun Pao*, which reports that the head offices have instructed their local offices to cease oil sales if remittances are impeded.

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Ten thousand cases of Japanese green tea, 50 drums of fish liver oil and 3,000 tons of zinc are on their way to the United States from Yokohama aboard the s.s. Vanderbilt Victory, which sailed December 9.

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The 100,000 Canadian railway sleepers ordered by the Ministry of Communications arrived in Chingwantao last week, the *Ta Kung Pao* reported. Half of this lot will be apportioned to the repair of railways in the Northeast and the rest in North China. The 39,000 sleepers earmarked for the Peiping-Hankow Railway have been sent to Peiping.

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The Sino-American Industrial Company will place an order for 50,000 pieces of silk piece goods with local weaving mills, according to the *Sin Wan Pao*. The paper said the price offered by the company is about 30 percent lower than the current market price. The mills have petitioned the government to sell them raw silk at US$6.50 per pound to enable them to accept this order.

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To put a stop to the continued flight of capital from China, the Ministry of Finance has notified the Shanghai Bankers' Association and the Native Bankers' Association that the establishment of branch offices in foreign countries without specific approval of the Ministry is prohibited. Such branches must be closed within this week. Informed financial circles estimate the flight of capital to Hongkong to total at least CNC$30,000,000,000. The establishment with the approval of the Hongkong Government of more than 40 Chinese-managed business and industrial firms is aiding this escape of capital.

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An accord was reached between Soviet forces in Korea and Chinese Nationalist authorities in Antung whereby the Soviets will supply power across the Yalu River for which the Chinese will pay in kind. The first payment is due this week and will be made in millet, fuel oil and bolts of unfinished cotton cloth. The power supply from the Soviet side will be increased as soon as Antung factories reopen.

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An executive of the Central Bank told the *Shun Pao* that more than 3,000 ounces of gold are smuggled into Canton from Hongkong daily. Mexican gold and Indian gold are priced at only 50 percent and 30 percent, respectively, of prevailing gold prices in the colony, which has an abundance of smuggled gold. Anti-smuggling squads are hard at work but it is physically impossible to check thoroughly the 50,000 daily travelers between Hongkong and the mainland.

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Local pharmacies are reported negotiating with official quarters for the disposal of 30,000 tons of surplus American medicines due here in the next three months. Imported medicines received in China since January have already topped the CNC$25,000,000,000 mark and local pharmacies are requesting the Government not to send the surplus medicines here for fear of further competition, the *Ta Kung Pao* reported.

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During the month of November, six go-slow strikes were registered by the Bureau of Social Affairs here. A total of 192 labor disputes occurred, with 44 settled upon signature of contracts, while 48 were settled "by official orders," according to the *Ta Kung Pao*. The British Tram company's strike was settled through official arbitration.

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The Alien Property Administration of Kiangsu, Chekiang and Anhwei has been ordered by the Executive Yuan to go into liquidation at the end of this month, leaving its unfinished business for the Central Trust of China to settle. In November, the APA sold enemy and puppet property valued at CNC$24,000,000,000. The Administration continues to encourage information pertaining to secret whereabouts of enemy and puppet property by offering 10 percent of the proceeds.

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By the end of November, 1946, the Hopei Alien Property Administration remitted to the National Treasury more than CNC$70,000,000,000, of which 90 percent was realized through auctioning alien and puppet property. While more than 80 percent of real estate available has already been disposed of, the Hopei APA expects the proceeds to total CNC$100,000,000,000 by the end of the year, exclusive of gold and other precious articles, the *Sin Wan Pao* reported.

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Great Britain is reported to be negotiating for a commercial agreement with Soviet Russia in order to import as much raw materials as possible without expending precious gold reserves. Among the products Great Britain expects to import are cotton, wood pulp, flax and tinned fish, formerly imported from the United States.

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Representatives of more than 3,000,000 women workers have asked the British Government to extend to them the principle of equal pay with men. A women's workers' delegation recently criticized a report of a Royal Commission for slighting them in recommending equal pay for women in the various professions.

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The cancellation of the American-Philippine agreement making the United States Government the sole purchaser of exportable surplus of copra and coconut oil was announced by Secretary of Agriculture Clinton P. Anderson last week in Washington.

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Increased duties on liquor and tobacco and a 10 percent tax on meals costing more than HK$5 in restaurants and hotels have been imposed by the Hongkong Government to bridge the estimated deficit of HK$115,000,000 in the colony's first post-war budget. A government spokesman said the increased liquor and tobacco taxes will yield HK$7,000,000.

What U.S. Papers Say . . .

A HIGHLY interesting editorial by the *Christian Science Monitor* on the transfer of the political power to the Chinese people, varied comment on the internal situation here by a number of American papers and events in India, featured last week's editorial comment in the United States.

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CHINA

SAYING that the enforcement of a healthy land reform program would give reality to the people's political aspirations better than any formal document, the *Christian Science Monitor*, wrote: "Generalissimo Chiang Kai-shek declares that the time has come to hand back power to the people of China. Good.

Whether the constitutional draft which he has presented to the National Assembly will translate such an intention into reality has yet to be determined. The original Kuomintang version, now being hotly defended by the reactionary old guard, has been liberalized according to the resolutions voted at the all-party Political Consultative Conference last January."

The paper said that this latter move was in part a gesture of recognition of world democratic opinion. "It is symbolized by the substitution, in the preamble, of Lincoln's definition of democracy for Sun Yat-sen's "Three People's Principles." Unless implemented by a sincere desire to substitute a workable representative democracy for the present right-wing dictatorship, it can remain more or less a gesture, "like some of the Generalissimo's earlier promises," the *Monitor* declares.

The paper points out that the Generalissimo's statement that "the people of the country have not yet developed the ability and habit to exercise political power," is the direct result of "economic injustice and corruption which have flourished under the rule of the Kuomintang clique, thus alienating the people from the Government."

The *Kansas City Star*, commenting on the Generalissimo's hint of retiring, said that "it evidently comes as a surprise to the people of China as well as to the outside world." The paper said that Chiang's retirement might well "be the signal for a bitter struggle for leadership within the Kuomintang."

In the past, the Generalissimo has given the impression of being more and more influenced by the militarists and big land owners who are opposed to all reform, the paper continued. "Unless a man of pronounced democratic sympathies does succeed him, his withdrawal could only add to the confusion of the moment."

The *Washington Star* said that in spite of the announced "beginning of government by the people," Chiang's influence would remain powerful even if he did "divest himself of his present executive primacy."

The *Washington Post* said that "it would be a happy moment if the statement made by the Generalissimo should prove to be correct." It remains to be seen, however, whether the period of tutelage under the Kuomintang is really over, the paper declared.

The *Washington News*, a Scripps-Howard paper, said that Chiang's statement answered those who had charged him with dictatorship and added: "Chiang reminded his hearers that he was 60. This is an age which anyone who thought of himself as indispensable would surely regard as the prime of life."

The *Detroit News* declared that the "true appraisal of China's Chiang Kai-shek must be left to history."

The *New York Herald Tribune* thought that Chiang's presentation of the new constitution draft "gives at least a slight basis for optimism."

The paper said that the draft is "liberal enough so that the right-wing members of the Kuomintang Party—who are die-hard reactionaries—disapprove of it." While this disapproval is no assurance that the constitution is perfect or even approaches perfection, it is a sign that the document is an improvement on earlier drafts."

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ASIA

The *Cleveland Plain Dealer* said that the decision of the Moslem League not to have their delegates take part in India's Constituent Assembly means that "once again the outlook for self-government in India is dark." The paper then said that "by their violently expressed differences, the Indians furnish an argument to those proponents of colonialism who seek a continuation of the status quo. The situation seems to point to advantages of European rule."

But this, the paper admits, is a snap judgment. "Had European rule been as beneficial as it should have, the natives would have been better tutored in political ways to look after their own interest."

The *Louisville Courier Journal* pointed out that "no miracle has occurred in India, after all. The lines of bigotry and hate are sharply drawn again and the young government sapped of its budding strength. Superficially, Jinnah has good reason for boycotting the Constituent Assembly. Pointing to the Moslems slain in Bihar Province in commual riots, Jinnah sadly declares that the scene is too explosive for a discussion of India's whole future plan."

The paper, however, charges Jinnah, "in his blind and stubborn purpose to split India into religious communities, with himself as dictator of one of them," with inciting Moslems to violence.

"Furthermore, as long as Jinnah remains head of the Moslem League, the 'explosive' situation he complains of will be perpetuated deliberately. If Jinnah can delay the writing of a constitution until India is placid, what century will bring forth the document?"

Ammunition Dump Blown Up Here

IN spite of Maj. Gen. Lu Tsi-yung's denial that saboteurs had been instrumental in the blowing up of some 20,000 bombs stored at the Civic Stadium, in Kiangwan, last week, the deputy chief of staff of the First Army Supply District announced that the authorities would take the following steps "to cope with the situation:"

1) Prevent further explosions;

2) Guard against undesirable elements who may wish to start subversive activities.

Thus, it appeared that "undesirable elements" were suspected of causing the fire which set off exploding bombs heard in the city for three days. It will be remembered. that in last week's riots involving the stall-keepers, "undesirable elements" were held to blame.

Gen. Lu said there was no truth in the report that more than 100 persons were missing. He revealed that only six persons were still not accounted for, while four others who were on duty at the ammunition dump have already been located—presumably dead.

Generalissimo Chiang was reported to have taken a serious view of the incident and ordered a thorough investigation.

Three wounded soldiers who had witnessed the accident which caused the fire and the subsequent explosions, were taken out of an army hospital and reenacted the scene for three Nanking investigators sent by the Defense Ministry.

The arrest of a soldier who "was noticed escaping through a line of guards" leads to speculate on the actual cause of the explosion, although no official statement has been issued in this connection.

Soldiers Occupy School

ST. Francis Xavier's College on Nanzing Road was this week temporarily occupied by about 150 Chinese soldiers, reportedly belonging to the Burma Sixth Army, the *North China Daily News* reported.

The contingent was said to be on its way home from Manchuria and was forced to stop over here for two days. The paper said the soldiers roamed the waterfront and having failed to locate any suitable premises, decided to spend the night in the Catholic college.

The teachers of the college, surprised at the arrival of the unheralded guests, later said that the soldiers were well-behaved and slept on the desks and floor of the class rooms on the ground floor, causing a partial suspension of classes.

More than 80,000 persons who have registered with the Shanghai Public Institution Rationing Office have waited in vain for the distribution of woolen blankets, the *Shang Pao* reported. The rationing office has petitioned the Board of Supplies to expedite the process but it is learned that the cold spell has caused the price of blankets, formerly fixed at CNC$30,000 apiece, to go up drastically.

What Chinese Papers Say...

EDITORS of the Chinese press generally commented last week on the question of the autonomy of Inner Mongolia, while a number of them welcomed signs of improved Soviet-U.S. relations. The deteriorating political situation in China was viewed with foreboding by many papers, however.

* * *

MONGOLIA

The independent *Ta Kung Pao* said the Mongolian delegates' demand for autonomy has its sympathy, believing that the demand is reasonable, and hoped the National Assembly can grapple with the question promptly before it is too late. It is reasonable because it conforms with the principle of Nationalism of Dr. Sun Yat-sen. The paper said that what the Inner Mongolians ask is only autonomy, not independence, which is in accordance with the principles laid down in the Constitution.

"We do not encourage the minority races to sever relations with the Central Government, but it must be noted that we can never succeed in preventing the minorities from inclining towards neighboring powers through the centralization of power," the paper said. "Pan-Hanism," it added, "is tantamount to tyranny."

The *Shih Shih Sin Pao* said the most debated question in the NA sessions has been the demarcation of the powers of the Central and the regional governments. If the Constitution to be enacted can endow the various regional governments with more autonomous rights, many disputes arising from racial differences will be avoided, it added.

* * *

SOVIET-U.S.

The liberal *Wen Wei Pao*, commenting on developments at the Foreign Ministers' Council and at the United Nations, noted hopefully the gradual improvement of relations between the United States and the Soviet Union.

The Soviets "caught the Anglo-American powers by surprise" when they came forward with their universal disarmament proposal and later suggested the publication of the armed strength of each power, said the paper. But the divergence of views between the two blocks is gradually becoming lesser and a marked progress was reported in the decision to set up two agencies to take care of the atom bomb and the disarmament questions.

One significant lesson is learned from this development, namely, settlement of international problems and achievement of world peace can only be obtained through definite proposals such as those put forward by the Russians, the paper opined, adding that the sudden turn in the relations between the Soviets and the Anglo-American countries has become a foundation for renewed efforts towards permanent world peace.

"No one can deny that U.S.-Soviet friendship is about equal to world peace, and U.S.-Soviet differences a divided world, hence the danger of another war," the *Wen Wei Pao* said.

Holding the same opinion was the *Sin Wan Pao* which said that Russia's large-scale withdrawal of troops from Germany and the sudden change in the attitude of Molotov towards the question of universal disarmament show that the USSR appears to be taking a different course of foreign policy.

"There may be special purposes in the recent alterations of views as expressed by Soviet delegates at the UN Conference, but they are certainly moving in the direction of peace," the paper noted, and asked the Anglo-American powers to avail themselves of this "golden opportunity" to cooperate with the Russians in settling various outstanding issues both in Europe and in Asia.

* * *

KMT-CP DEADLOCK

Commenting on the rapidly worsening situation in China, the *Ta Kung Pao* viewed with foreboding General Chou En-lai's answer to General George C. Marshall, demanding the dissolution of the present National Assembly and a return to the status quo of January 13, "General Marshall must have concluded that a settlement of the Government-Communist differences by now is impossible," said the paper and pointed out that Mrs. Marshall has already left China and that the U.S. envoy was also reported to be leaving for home soon.

The paper pointed out, however, that a solution is not at all impossible, as was evidenced in the successful conclusion of the PCC agreement at the beginning of this year. It said the reason why the PCC agreement was acceptable to all parties, including the Communists, was that it had, among its resolutions, a guarantee to all the parties concerned.

The *Ta Kung Pao* believed that Communist suspicions of the government's intentions have been chiefly responsible for the further deterioration of the situation, aggravated by the Kuomintang's failure to carry out Dr. Sun's Three People's Principles. The paper condemned the Communists' seeming determination to carry out an all-out, continued civil war, which can be avoided only when the leaders of the two opposing political parties "show more intelligence" than heretofore displayed.

On the other hand, the *Wen Wei Pao* did not believe that the peace talks could be resumed easily though there have been reports of efforts being made to break the deadlock. Unless General Marshall is able to force the government to accept Chou En-lai's four conditions (convening of another inter-party conference, cessation of hostilities, organization of a coalition government, and convocation of another National Assembly), resumption will never be possible. "As everybody knows," the *Wen Wei Pao* said, "this is impossible."

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EVENTS IN BRIEF

An earthquake was reported last week near Chayi, Taiwan, where 32 persons were killed or injured, 40 houses destroyed and the train service between Tainan and Hsin Hsih was disrupted. The quake was the second in three weeks.

* * *

A maritime curfew on all unofficial ship and boat movements between 5 p.m. and 6 a.m. in and around Tsingtao was imposed by the garrison headquarters there last week. The order went into effect December 5, and will continue until February 5 next year.

* * *

Conscription of 34,000 recruits for the National Army in Peiping has fallen at least 20,000 short of the quota, and officials in charge were told to fill up the quota by December 31 or be charged with dereliction of duty, the Generalissimo's headquarters there announced last week.

* * *

All Japanese were ordered last week by General MacArthur to surrender all foreign currency and foreign exchange instruments to the Bank of Japan for custody until their disposition by the Supreme Allied headquarters. Possession of such foreign assets after December 31 in Japan will be illegal.

* * *

A 38-year-old mother in Japan carried her four-month-old baby to a forest, where she killed, cooked and ate it, Tokyo papers reported last week. It was also reported a young man received a box containing a "gift" of the bodies of twins from a girl whom he deserted.

* * *

Newsweek magazine, commenting recently on the withdrawal of a brigade of Commonwealth occupation troops from Japan, said this was an example of the "white man's burden" becoming too heavy for the British. British sources said the decision arose from manpower shortage in Britain.

* * *

An anti-British campaign was launched by an "aid committee" in Shumchun near Kowloon last week as a result of the killing of a Chinese villager by a British Commando. The committee condemned the "ignorance of British soldiers" and asked the Chinese Government "to break the might of British imperialism."

* * *

Italian police foreshadow a scandal of "enormous proportions" involving UNRRA goods as result of inquiries into a charge now pending against an UNRRA employee, but said they are facing a delicate situation regarding the extent of their jurisdiction over UNRRA affairs.

* * *

Pamphlets praising Mussolini were found plastered on walls in the northern Italian city of Milan last week, calling on members of the Fascist Party to prepare to wage "the revolution which should not be long in coming."

* * *

The building workers' union of Johannesburg, South Africa, is opposed to the government decision to teach the natives to build their own houses, and has ordered member instructors on the job to stop such activities.

* * *

Describing it as the "greatest single disturbing influence in the good relations between Canada and China," a committee for the repeal of the Chinese Immigration Act last week demanded that the act be thrown out by the Ottawa Parliament at its next session. The act forbids Chinese immigrants' wives from entering the country.

An earthquake, the second in three weeks, rocked Tainan, Taiwan, last week, killing 58 persons, injuring more than 300 and destroying 100 dwellings. Rail communications in the south of the island were disrupted and 40 pylons of high tension lines destroyed.

* * *

All provincial authorities have been ordered by the Generalissimo to give protection to farmers by (1) carrying out the leader's earlier order of 25 percent reduction of land rent, and (2) nationwide organization of farmers' guilds. Landlords were also instructed against evicting farmers after the rent is reduced.

* * *

A "Slav Macedonia" resistance movement to achieve autonomy in that northern Greek province is believed to be responsible for the increasing deterioration of conditions there, according to Sophocles Veniselos, leader of the Republican Liberals. He asked for an audience with the King to report on the situation.

* * *

Fifty-five persons suspected of starting the citywide riot recently were this week summoned for investigation before the District Procurate. Among the witnesses present were Vice Police Commissioner Yu Su-ping and 10 other police officers. Investigation was scheduled to wind up this week when the suspects will be prosecuted at the District Court.

* * *

Manchurians were the latest to have joined Mongolian, Sinkiang and Tibetan delegates last week in demanding representation in the Legislative and Control Yuans, when Prince Pulu, cousin of former Emperor Henry Puyi, appealed to the nation for recognition of their rights, saying that "Manchurian problems have been somewhat forgotten since the establishment of the Chinese Republic."

* * *

Communists in Manchuria reportedly are training 20,000 men for skiing units to be formed shortly with Japanese and Koreans as instructors. The government troops in Manchuria also are reported to have started similar training at Yungki and other localities.

* * *

A letter of thanks was sent to General MacArthur last week by 17,000 Ainu natives of Hokkaido Island for his "continued efforts to democratize" northern Japan.

* * *

Prolongation for six months of the state of siege was proclaimed by Turkey over its six northwestern provinces, covering both shores of the straits and all European Turkey. Greek rebel activities near the Turkish border and the Dardanelles problems were believed among the reasons for the proclamation.

* * *

Moscow radio last week reported that large number of Greek troops have arrived in southern Persia at the invitation of the Anglo-Iranian Oil Company. Informed of this report, company officials said they had no comment to make.

* * *

Big Four Foreign Ministers began grappling with the main questions of the German peace treaty last week when each minister presented a statement of his views on how the subject should be approached. Appointment of special deputies and the hearing of claims against Germany were discussed.

Old China Hands

An old friend has received news of David Fraser, for decades a correspondent for the London *Times* all over China. Mr. Fraser writes from Washington of a trip he, his wife and son took across the continent in his miraculous 1938 Ford, of which he is inordinately proud. The trip climaxed a week's visit from their son "Billy," who was duly deposited in San Francisco on his way to Manila. Mr. and Mrs. Fraser then proceeded to Victoria, back to the States, and on to Washington. The 9000 miles was covered in 30 days without mishap.

"Billy" Fraser who spent the war in the Highland Light Infantry and the Indian Army was demobilized in India. He has rejoined his old firm, the Chartered Bank of India, Australia and China and is presently with their Manila branch.

Donald Fraser, who progressed during the war from a private to a flight officer in the Royal Air Force, is now in London with *Reuters*.

Mr. E. S. Barraclough, formerly property manager of E. D. Sassoon and Co., and well remembered as an officer in the Shanghai Volunteer Corps, is back in London. He has joined John Palmer, Jr., & Co., Imperial House, Dominion St., London, E.C.

Another former Sassoon man, E. H. Adams, architect, is now doing construction work in Germany under the auspices of UNRRA.

The Rev. H. B. Rattenbury, one of China's veteran Methodist missionaries, traveled extensively in the interior during the war. This week he broadcast a description of his experiences and impressions of the war-torn hinterland.

The return of U.S. Harkson to Shanghai is expected shortly. Mrs. Harkson will accompany her husband.

Paul Harvey and his newly-married wife, the former Mary Kersey, are back in Shanghai. Mr. Harvey is setting up a purchasing system for a number of America's largest department stores. He formerly worked for the *Post-Mercury* enterprises, specializing in musical criticism.

Mr. J. A. Gunn, M.B.E. has retired with Mrs. Gunn to live in Bognor, England. Mr. Gunn was formerly the assistant manager of Messrs. Whiteaway, Laidlaw & Co.'s store in Shanghai.

Mr. A. Hillaly, of Messrs. Hillaly & David, a stock brokerage firm, is at last on his way to Shanghai on the General Gordon. He went to the States in April to join his family, and was unable to return sooner due to the shipping strike.

Mr. Tom Beesley, who left some months ago for London, is now on a visit in the United States. Mr. Beesley served at one time as an assistant in the Secretariat of the former Shanghai Municipal Council. He was later connected with Messrs. Liddell Bros. & Co., Ltd.

Who's Who in China

CHIEN TIEN-HO, agricultural expert and government official; born at Hangchow, Chekiang, 1893; received education in the United States, graduating from the New York State College of Agriculture and Forestry of Cornell University with

Chien Tien-ho
(錢天鶴字安濤)

degrees of B. S. A., 1917, and M. S. A., 1918; assistant professor of agriculture and concurrently head of Department of Sericulture, College of Agriculture and Forestry, University of Nanking, 1918-23; principal of Chekiang Provincial College of Sericulture, Hangchow, 1926; appointed director of Department of Social Education, Ministry of Education, July 1927-June 1929; director, Metropolitan Museum of Natural History, Academia Sinica, July 1929-June 1932; vice-director, National Agricultural Research Bureau, Ministry of Industry, July 1932-December 1937; promoted director, Department of Agriculture, Ministry of Economic Affairs, January 1938-June 1940; administrative vice-minister, Ministry of Agriculture and Forestry, since July 1940; holds membership on boards of directors of China Agricultural Association; National Agricultural Engineering Corporation and National Rural Hydraulic Engineering and Water Power Corporation; also member of Trustees of Farmers' Bank of China; chairman, Board of Directors, North China Reclamation State Farm; chairman, National Cotton Development Consultation Board; member, Science Society of China, and member of Horticultural Society of China; received 3rd Class Order of Brilliant Star and Victory Medal, awarded by National Government on October 10, 1943 and October 1945 respectively; address: c/o Ministry of Agriculture and Forestry, Nanking.

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PEOPLE IN THE NEWS

DR. SZE MING-SZE, Chinese delegate to the United Nations, this week proposed to the Narcotics Committee that an international stock-pile of narcotics be established in the Far East to control the production and distribution of drugs. This would be the only legitimate source of import for Japan and Korea, production in those countries to be forbidden and inspections made.

* * *

MANUEL A. ROXAS, President of the Philippine Republic, told city and provincial officials last week that the Philippines will become bankrupt unless aid is received from the United States. He explained that the interest rate would be only two percent.

* * *

SHAO LI-TZE, member of the Central Executive Committee of the Kuomintang, was entertained by the local Shanghai Shaoshing Native Guild at a tea-reception shortly after his arrival from Nanking.

* * *

DR. KURT SCHUMACHER, leader of the German Social-Democrats, declared at a luncheon given him by the Fabian Society in London that the French were animated by a spirit of extreme chauvinism after 1918. Dr. Schumacher was confident that the real spirit of the French people was that of the French Revolution, and that "In six months' time my visit will be forgotten and the French people will then be convinced that the German Socialists are not their true foes." Dr. Schumacher had reference to French protests over the "official" character of his visit to London.

* * *

DR. DAVID SHUGAR, former Canadian anti-submarine expert, has been acquitted of charges of conspiracy to communicate secret and confidential information to the Soviet Union. Previously arrested and released on grounds of insufficient evidence, Dr. Shugar was rearrested when new evidence came to light.

* * *

FLEET ADMIRAL WILLIAM F. HALSEY, commander of the United States Third Fleet which played a major part in the defeat of Japan, has been relieved of active duty. The 62-year-old "Bull" Halsey is not retiring, as Fleet admirals may not be placed on retirement status.

* * *

GEN. JONATHAN M. WAINWRIGHT, hero of Bataan who was a Japanese prisoner until the end of the war, told a bar association meeting that the United States "must be ready at all times to meet an enemy with blow for blow instantly." He said that the American people's desire for peace in the past had led them into the fallacy of trying to promote peace by setting an example of helplessness.

* * *

CIMON DISMANTOPOULOS, Greek Ambassador to the United States and delegate to the United Nations, dropped dead of a heart attack in his suite at the Plaza Hotel, New York, on December 7. He had been extremely active before the Security Council in presenting Greece's charges against her neighbors, whom she believes to be involved in her domestic upheavals.

* * *

CONSUL BOWMAN, newly appointed American consul to Canton, has left Yokohama for Shanghai with 23 other consular officials. American circles believe that he will probably act as advisor to Gen. Marshall.

REV. JAMES WONG SUM, 50-year-old clergyman of Bryn Athyn, Pennsylvania, is being searched for in Chicago, through which city he was to pass on his way home from the Orient. Money sent him was collected in Chicago on November 22 but nothing has been heard from him since.

* * *

FIORELLO LAGUARDIA, UNRRA Director, has announced the lifting of the embargo on goods to China "except for a few items which China is not yet prepared to receive." His action is the result of "continued improvement of the rate of distribution of supplies within China and particularly the present satisfactory state of port clearance."

* * *

MRS. GEORGE C. MARSHALL, wife of the Presidential Envoy, has left to spend the winter in Honolulu. Informed circles consider the fact that Marshall did not accompany her an indication that he expects to remain in Nanking.

* * *

DR. JULIAN HUXLEY, of Great Britain, was elected Director-General of the United Nations Educational, Scientific and Cultural Organization by secret ballot. Circumstances of the election drew accusations of "backstairs methods."

* * *

ROBERT PATTERSON, U.S. Secretary of War, made a statement to the effect that "No atomic bombs or fissionable material has been sent to Britain or to any other country, and any statement to the contrary is untrue."

* * *

MAHATMA GANDHI has refused to leave riot-torn Bengal. "I shall do or die in the Noakhali district and even if all the Hindus go away, I shall be the solitary Hindu there."

* * *

DR. LANK SUNDARAM, a member of the Indian delegation to the United Nations, said in a radio debate on Indian independence that, "If Britian assists Jinnah in cutting up India into congeries or warring principalities, India will have to go through torments of internecine strife which might easily put those of the Chinese Republic in the shade."

* * *

DR. KARL RENNER, Austrian President, said in an interview in Vienna that Austria's "dearest wish" is admission to the United Nations. Moral and political conditions for Austria's admission having been fulfilled, Dr. Renner hopes reasons for delay beyond Austria's control will disappear. Austria wishes to live on friendly terms with her neighbors; she wishes to avoid any unilateral orientation.

* * *

MAYOR K. C. WU urged cooperation between labor and capital to tide the city over the New Year. Each party must take into consideration the conditions of the other party. He warned workers against following a policy of killing the goose for her eggs.

* * *

MRS. ELEANOR ROOSEVELT has adopted a daughter of a member of the French Marquis. Christiane is eldest of seven; her father was killed by the Germans for aiding American troops, and her mother went insane as a result.

* * *

RAJAH MUDA ANTHONY BROOKE is returning to Sarawak, at the urgent invitation of the National Union and the Dyak Association of Sarawak, to determine the wishes of the native population in regard to the restoration of Sarawak's independence.

NEW BOOKS OF INTEREST

Primitive Lockups

JAILS. Care And Treatment Of Misdemeanant Prisoners In The United States by Louis N. Robinson. Published by The John C. Winston Co., Philadelphia, 1944. 291 pp., US$3.00. Reviewed by Alice Johnson.

MR. Robinson is well qualified for the subject with which he deals in this book. He is a penologist of some standing. He has held positions on several state and federal boards concerned with the administration and investigation of jails. He has published several previous books on related subjects.

Surprisingly, the author has been able to draw on very little in the way of official statistics for his study. In a country so statistically minded it is significant that penology has been neglected. A great deal of original research has gone into this work, stretched over a period of several years. In the course of his investigations Mr. Robinson found that frequently state and county officials were unable to provide him with the most elementary information.

It is apparent that the general public lacks interest in one of the most vital problems—the treatment of petty offenders against the law, and the innumerable other classes of persons who may land in jail—accused persons, vital witnesses, insane persons, vagrants, alcoholics, juvenile delinquents and long-termers may spend varying lengths of time in varying degrees of intimacy in local institutions of varying excellence.

It is not an encouraging picture that Mr. Robinson draws. Obviously the jails and similar institutions are not on a par with penitentiaries. Local governments are less able on the whole in the administration of penal institutions than are the state governments, yet many of them are loath to give up their traditional control. Abuses vary greatly: overcrowding, lack of sanitation, lack of segregation, lack of specialized knowledge and petty graft are only a few of them.

According to Mr. Robinson, we must choose between the theory of retribution and the theory of reform, which are irreconcilable. He looks for improvement in the reduction of the number of persons sent to jail—by the extended use of probation and bail and fines, and by the use of substitute institutions of a higher caliber, such as houses of correction and workhouses, local penitentiaries, county road camps, county and city farms.

In order to improve the institutions they should be brought under state rather than local government control in so far as that is possible. Meanwhile, new buildings, repairs, better locations and more intelligent management should be instituted. One aspect which has been terribly neglected is the provision of occupation for persons incarcerated. Personality and character building efforts are shockingly overlooked, although something might be done with the criminals-in-the-making who land in jail early in their lives. The problem of alcoholics has been very carelessly handled.

Some progress has been made along all of these lines; however, it is distressingly slow. As in other social questions, an informed public opinion is extremely important. While the idea of retribution is dying out, our institutions are far behind our enlightened thinking. Considering the large proportion of citizens who go to jail for various lengths of time and with varying frequency, the problem is serious. While this is a question for popular consideration the book is scarcely calculated for popular consumption. The dry, correct, scientific approach could have been enlivened with a few more case histories and some color.

Political Morality

CHUNGKING DIALOGUES *by Lin Mousheng. Published by The John Day Co., New York, 1945. 149 pp., US$2.00. Reviewed by Marion Barney.*

INFORMED Chinese public opinion is presented in this book in a series of imaginary dialogues between five friends in Chungking who get together each week to discuss the state of the nation. They are Wang Fu-liang, a moral man, an optimist, a Confucianist; Fan Tai-cheng, university professor and dispassionate social scientist; Judge Li Han-san, disillusioned and conservative; Ku Kung-shan, a radical college student; and the young girl Chu Sun-ling, a telephone operator with a high school education.

The conflict is between the old ideas and the new. Confucianism, Taoism, Legalism, Marxism, and the ideals of democracy are brought into an argument about present day politics, Chinese and international. They are reconciled mostly at the expense of Ku's arguments based upon Western teaching. Rather a hopeful view is set forth of the Kuomintang, its intentions, and the democratic future of the nation. It is perhaps unfair to judge from a vantage point a year after the war conclusions based on earlier evidence. At any rate, in this respect, the book is not of timeless value.

Timelessness aside, the dialogues are on too philosophic a plane to be very valuable as a political commentary; on the other hand, they have nothing new or very profound to offer as food for meditation.

I felt considerable sympathy with Ku's sentiments if not his severity when he said: "One would think that by this time you would have exhausted all the obvious axioms and trite epigrams....." Most modern readers are familiar with the ideas presented in this book.

The choice of the dialogue form seems unfortunate as it inevitably invites comparison with Plato in the Western mind. This is a recapitulation of existing philosophies and their place in modern thought; it is far from the presentation of an original system. It is also confusing to try to keep track of the various personalities and prejudices of the several participants in the discussions. The master-disciple technique employed in Plato was more successful. The conversation seems no more realistic than does Plato, at least to a Westerner. The wit does not "sparkle" and, I think, might be dispensed with along with the tiffs between Ku and Li. They seem rather laborious.

The book's main value is in its presentation to readers in America and Europe of the background of ideas which goes into Chinese political philosophy and the conflict of Eastern and Western thought. Most persons in China are already familiar with the general points of view exposed. Having presented the arguments, the author goes on to tentative conclusions which are too idealistic to have much practical political significance and too prosaic to compete in the realm of philosophy or morality.

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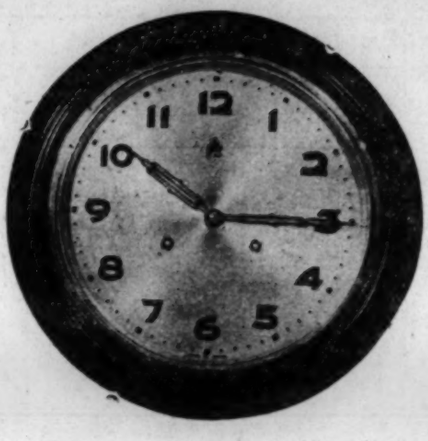

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I, II Exp.	I Wusih Excur.	I, II III Exp.	I, II Exp.	II, III Local Exp.	I, II N'king Excur. Throu. Exp.	I, II III Night Exp.	I, II Night Exp.	站名 STATIONS	I, II H'chow Excur Throu. Exp.	I, II III Exp.	II, III Local Exp.	I, II Exp.	I Wusih Excur.	I, II Exp.	I, II III Night Exp.	I, II Night Exp.
7.00	8.30	9.00	11.00	12.30	13.30	21.50	23.00	D 上海 SHANGHAI 北站 NORTH A	14.45	16.25	17.10	19.30	21.35	22.45	6.35	8.00
		10.16	12.14	13.48		23.23		D 崑山 KUNSHAN D		15.24	16.05	18.15			5.28	
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8.48	10.14	11.06	13.04	14.36	15.26	0.27	1.13	D 蘇州 SOOCHOW A	12.59	14.19	15.09	17.21	19.34	20,58	4.32	5.19
9.36	11.05	11.54	13.55	15.25	16.14	1.22	2.08	A 無錫 WUSIH D	12.11	13.24	14.10	16.27	18.45	20.10	3.39	4.26
9.42		12.06	14.02		16.23	1.29	2.15	D 無錫 WUSIH A	12.04	13.18		16.21		20.03	3.33	4.19
10.31		12.59	15.01		17.09	2.27	3.13	A 常州 CHANGCHOW D	11.17	12.22		15.20		19.16	2.35	3.30
10.40		13.08	15.15		17.19	2.37	3.25	D 常州 CHANGCHOW A	11.06	12.09		15.08		19.06	2.24	3.20
11.38		14.00	16.13			3.56	4.29	A 丹陽 TANYANG D		11.09		14.05		18.12	1.07	2.03
11.41		14.03	16.17			4.00	4.33	D 丹陽 TANYANG A		11.05		13.55		18.03	1.02	2.00
12.18		14.40	17.01		18.46	4.46	5.18	A 鎮江 CHINKIANG D	9.32	10.28		13.07		17.23	0.09	1.07
12.25		14.45	17.17		18.53	4.55	5.27	D 西站 WEST A	9.24	10.21		12.59		17.15	23.56	1.0 0
13.55		16.10	18.50		20.20	6.30	7.15	↓ A 南京 NANKING D	8.00	9.00		11.00		15.45	22.00	23.00

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WUSIH 無錫	129	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGCHOW 常州	168	8,400.	10,100.	4,200.	5,100.	2,100.	2,600.
TANYANG 丹陽	213	10,400.	12,500.	5,200.	6,300.	2,600.	3,200.
CHINKIANG WEST 鎮江西站	243	11,600.	14,000.	5,800.	7,000.	2,900.	3,500.
NANKING 南京	312	14,800.	17,800.	7,400.	8,900.	3,700.	4,500.

滬杭線 SHANGHAI-HANGCHOW LINE

TIME TABLE

23	21	61	67	25	1	41	車次 TRAIN NO.	92	42	2	68	26	22	62	94
I, II III Exp.	West Lake Throu.	II, III Ord.	IV Mixed	I, II III Exp.	I, II H'chow Throu. Exp.	II, III Ord.	站名 STATIONS	I, II III Local Exp.	II, III Ord.	I, II N'king Throu. Exp.	IV Mixed	I, II III Exp.	West Lake Excur	II, III IV Ord.	I, II III Local Exp.
6.45	8.00	8.15		11.30	16.00	16.15	D 上海北站 SHANGHAI NORTH A	9.15	12.15	12.35		18.55	20.05	22.30	
7.05	8.16	8.36	9.00	11.53	16.19	16.36	D 上海西站 SHANGHAI WEST D	8.58	11.55	12.20	17.20	18.37	19.49	22.13	
7.49		9.46	10.29	12.38	17.03	17.46	A 松江 SUNGKIANG D	7.51	10.44	11.26	15.29	17.48		21.00	
7.54		9.56	10.40	12.43	17.08	17.51	D 松江 SUNGKIANG A	7.47	10.38	11.21	15.22	17.39		20.54	
9.02	10.02	11.40	12.50	13.50	18.16	19.23	A 嘉興 KASHING D	6.35	9.04	10.13	13.10	16.20	17.54	19.25	
9.16	10.08	11.50	13.15	13.58	18.26	19.33	D 嘉興 KASHING A		8.55	10.04	12.45	16.11	17.47	19.12	20.50
10.00		12.33	14.52	14.32	19.01	20.16	D 峽石 YEHZAH D		8.14	9.31	11.53	15.39		18.29	20.18
10.31		13.18	15.56	15.04	19.32	21.01	A 長安鎮 CHANGAN-TSENG D		7.27	8.58	10.40	15.06		17.42	19.34
10.36		13.26	16.10	15.11	19.37	21.06	D 長安鎮 CHANGAN-TSENG A		7.22	8.54	10.27	15.02		17.37	19.27
11.30	11.55	14.45	18.10	16.20	20.30	22.20	↓ A 杭州 HANGCHOW D		6.10	8.00	8.30	14.00	16.00	16.25	18.25

FARE LIST

(Note:—Fares for Trains Nos. 1, 2, 21, & 22 not included.)

STATIONS 站名	Kilo.	I Class Ordinary	I Class Express	II Class Ordinary	II Class Express	III Class Ordinary	III Class Express
SHANGHAI 上海							
SUNGKIANG 松江	45	2,400.	3,400.	1,200.	1,700.	600.	900.
KASHING 嘉興	99	4,800.	5,800.	2,400.	2,900.	1,200.	1,500.
YEHZAH 峽石	126	6,400.	7,700.	3,200.	3,900.	1,600.	2,000.
CHANGANTSENG 長安鎮	151	7,600.	9,200.	3,800.	4,600.	1,900.	2,300.
HANGCHOW 杭州	190	9,200.	11,100.	4,600.	5,600.	2,300.	2,800.

京滬區鉄路管理局

NANKING-SHANGHAI RAILWAY SYSTEM ADMINISTRATION

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